Decision 2003-084

EUB

ENMAX Power Corporation

2004 Distribution Tariff Application
Part A: 2004 Interim Distribution Tariff

November 14, 2003

Alberta Energy and Utilities Board

104-03433/

ENMAX Power Corporation

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ALBERTA ENERGY AND UTILITIES BOARD
Decision 2003-084: ENMAX Power Corporation
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Calgary Alberta

ENMAX POWER CORPORATION	**Decision 2003-084**
2004 DISTRIBUTION TARIFF APPLICATION	**Application No. 1306819**
PART A: 2004 INTERIM DISTRIBUTION TARIFF	**File No. 1210-1**

1 INTRODUCTION

With the passage of the new *Electric Utilities Act*, SA 2003, c.E-5.1 (EUA), which came into force on June 1, 2003, the municipal electric distribution systems of the Cities of Edmonton and Calgary became subject to the jurisdiction of the Alberta Energy and Utilities Board (Board). In particular, the Board became the regulatory authority for EPCOR Distribution Inc. (EDI) and ENMAX Power Corporation (EPC) for the purposes of approving distribution tariffs (DT) to be effective January 1, 2004.[1] The *Distribution Tariff Regulation*, AR 163/2003 (*DT Regulation*), required EDI and EPC to apply to the Board for approval of their DTs on or before October 1, 2003.[2] The *DT Regulation* requires the Board either to approve a final DT for EDI and EPC to take effect on January 1, 2004, or to approve an interim DT no later than November 30, 2003 to take effect on January 1, 2004.

In anticipation of receiving DT applications from EDI and EPC,[3] the Board issued a letter to interested parties on July 14, 2003, which included a Notice and proposed schedule intended to ensure that the Board could meet the deadlines prescribed in the *DT Regulation*. The Notice provided for a pre-hearing conference, which was held on September 12, 2003 (Pre-Hearing). Among other administrative matters dealt with at the Pre-Hearing, the Board heard submissions from parties with respect to issues that should be dealt with on an interim basis and those that could be left until the final proceeding. On September 17, 2003, the Board issued a further letter to parties setting out a revised schedule for the proceeding and a list of issues to be dealt with at the interim and final stages of EDI's and EPC's forthcoming DT applications. A copy of the Board's letter of September 17, 2003 is reproduced in Appendix 2 to this Decision.

As required by the *DT Regulation*, the Board received an application from EPC dated October 1, 2003 requesting interim and final approval of EPC's 2004 DT (2004 DT Application or Application, with the interim portion being referred to as the 2004 Interim DT Application or Interim Application). The process for consideration of the Interim Application conformed to the schedule set out in the Board's September 17, 2003, letter as follows:

Information Requests (IRs) to EPC	October 10, 2003
IR Responses from EPC	October 20, 2003
Oral Hearing	October 27, 2003

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[1] EUA, section 102.

[2] *DT Regulation*, section 4(1).

[3] As well as applications under the *Regulated Default Supply Regulation*, AR 168/2003, from EPCOR Energy Services Inc. and EPC on behalf of ENMAX Energy Corporation.

The oral hearing was conducted in Edmonton from October 27-30, 2003, with oral argument and reply on October 30, 2003. Although responses to undertakings given during the hearing were submitted after October 30, 2003, and are considered by the Board to form part of the formal record of the proceeding, for administrative purposes of this Decision, the Board considers the record to have closed on October 30, 2003. Parties participating in the proceedings are shown in Appendix 1 to this Decision.

2 EPC'S 2004 INTERIM APPLICATION

The Board notes that EPC's 2004 DT comprises a Distribution Access Service (DAS) tariff and a System Access Service (SAS) tariff. For the purposes of this Decision, the Board will use the following terminology:

DAS revenue requirement	refers to the revenue requirement associated with the provision of DAS service;
DAS rates	refer to the rates used to generate the revenues required to meet the DAS revenue requirement;
SAS revenue requirement	refers to the costs associated with purchasing system access service from the Alberta Electric System Operation (AESO);
SAS rates	refers to the rates used to generate the revenues required to meet the SAS revenue requirement; and
DT revenue requirement	refers to the sum of the DAS and SAS revenue requirements;
DT rates	refer to combined DAS and SAS rates.

In its Interim Application, EPC made the following proposals for interim DT rates to be approved on an interim refundable basis effective January 1, 2004:

- Interim approval, on an as filed basis, effective as of January 1, 2004;
- A 2004 DT Revenue Requirement of $199.1 million;
- A mid-year 2004 Rate Base of $453.7 million, including a Working Capital component of $5.1 million;
- Capital Expenditures of $71.8 million and Capital Additions to Rate Base of $73.9 million in 2004;
- A composite, annual amortization rate of 3.33% for distribution assets and 9.26% for general plant assets;
- A recommended Rate of Return on Rate Base of 8.95%, a recommended Capital Structure of 50% Debt and 50% Common Equity, and a resulting Return on Rate Base of $40.6 million;[4]
- The Distribution Rates, Fees for Additional Services and Terms and Conditions of Service as presented in Section 11 of the Application, with an interim implementation date of January 1, 2004, and a final implementation date of October 1, 2004, or as determined by the Board;

---

[4] The Return and Capital Structure values will be reviewed by the Board in the Generic Cost of Capital proceeding, the hearing portion of which commenced on November 12, 2003 (Application No. 1271597).

- The continued use of the deferral account for the 2000 Deficiency Rider pursuant to subsections 4(2) and 4(3)(a) of the *DT Regulation*;
- The implementation of a deferral account on January 1, 2004 to record variances between the actual charges that EPC is obliged to pay the AESO and the revenue that is generated from EPC's SAS rate. The deferral account balance at the end of each previous quarter would be brought as close as possible to a nil balance at the end of the next quarter by the use of a quarterly DT rate rider that may be adjusted each quarter;
- The implementation of a Hearing Cost Reserve Account for costs associated with the regulation of the DT; and
- The implementation of the Inter-Affiliate Code of Conduct presented in Section 9 of the Application on October 1, 2004, or as determined by the Board.

EPC provided a calculation of the significant components of the 2004 DT revenue deficiency. The DAS deficiency is $17.6 million and the SAS surplus is $6.4 million, netting to a total DT deficiency of $11.2 million. The table below illustrates the 2004 DT revenue requirement and the derivation of the $11.2 million net DT revenue deficiency.

Table 1. Summary of EPC 2004 Revenue Requirement ($ millions)

Component	Distribution Access Service	System Access Service	Total DT Revenue Requirement
Operating Expenses	50.0		50.0
System Access Charge		55.8	55.8
Regulatory Hearing Expenses	3.7		3.7
Amortization	32.9		32.9
Return on Rate Base	40.6		40.6
Equity Funding Component	20.6		20.6
Revenue Offset	(4.5)		(4.5)
Total - Revenue Requirement	**143.3**	**55.8**	**199.1**
Revenue from existing rates (2003)	125.7	62.2	187.9
Revenue Surplus/(Deficiency)	**(17.6)**	**6.4**	**(11.2)**
Significant Components of Deficiency			
Change in Debt/Equity Ratio			5.0
Increase in Common Equity Return			2.8
Increase in Regulatory Hearing Expenses			3.7
Increase in Capital Related Costs			5.6
Increased Revenue from Growth			(5.2)
Other			(0.7)
Revenue Surplus/(Deficiency)			**(11.2)**

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In the following Sections of this Decision, the Board will address each of the DT revenue components.

3 OPERATING EXPENSE

3.1 Views of the Applicant

EPC requested an operating expense of $50 million for 2004, representing a $1.7 million increase over the 2003 estimate.

3.2 Views of the Interveners

CIG/CBOC

CIG/CBOC expressed concern over the significant increases in operating expenses since 2000 and 2001 and submitted that the operating expenses should be tested before an increase is approved.

3.3 Views of the Board

The Board notes that EPC's forecast of operating expense was not fully tested during the interim proceedings. Notwithstanding the lack of complete testing, the Board is not persuaded that it should make any reductions to EPC's requested interim rates in respect of forecast operating expenses. The Board considers EPC's forecast of operating expenses can be fully tested during the final proceedings.

The Board does not consider it necessary to give any guidance to EPC respecting the appropriateness of any proposed operating expenditures for 2004. The Board expects EPC to exercise its management responsibilities and only undertake those operating expenditures EPC considers prudent and appropriate.

4 AMORTIZATION AND CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC)

4.1 Views of the Applicant

For 2004, EPC forecast a net amortization expense of $32.9 million, which is an increase of $2.6 million over the 2003 estimate. EPC indicated that assets and CIAC are amortized on a straight-line basis with a half-year of amortization in the year of an asset's addition and a half-year in the year of its retirement. The amortization rate used by EPC was approved by the municipal council of the City of Calgary and has been in effect for several years.

4.2 Views of the Interveners

CCA and PICA

CCA and PICA submitted that the rates used by EPC are higher than the rates used by other Alberta electric distribution utilities. CCA and PICA noted that the composite average depreciation rate used by EPC is 4.2% while ATCO uses 3.57%. The CCA and PICA submitted that EPC should lower its amortization rate in the interim to be consistent with the other electric distribution utilities.

4.3 Views of the Board

The Board notes that EPC's forecast of amortization expense and offsetting CIAC was not fully tested during the interim proceedings. Notwithstanding the lack of complete testing, the Board is not persuaded that it should make any reductions to EPC's requested interim rates in respect of net amortization expense. The Board considers EPC's forecast of net amortization expense can be fully tested during the final proceedings.

5 HEARING COSTS

5.1 Views of the Applicant

EPC applied for a Hearing Cost Reserve Account to manage the costs associated with its application to the Board for approval of DT related matters. EPC proposed an opening balance of zero with an estimate of $3.7 million in costs to be included in the 2004 DT revenue requirement. EPC proposed that actual hearing costs would be recorded, with the variance between the estimated and actual costs being carried forward into the subsequent period.

5.2 Views of the Interveners

Calgary

Calgary was not opposed to the inclusion of a Hearing Cost Reserve Account on an interim basis at the applied for requirement of $3.7 million, provided that the requirement would be addressed in more detail in the final proceedings.

CCA

CCA submitted that some or all rate hearing costs should be amortized over a period of longer than one year on two grounds. CCA noted that EPC agreed that the bulk of the intervener costs are not expected to be paid out until approximately the end of 2004. CCA also submitted that the benefits associated with these costs, particularly those related to the Generic Cost of Capital proceeding, will extend well beyond one year.

5.3 Views of the Board

The Board agrees with EPC that a Hearing Cost Reserve Account should be established effective January 1, 2004. The Board notes that this is consistent with the Board's treatment of hearing costs in respect of other utilities under the Boards jurisdiction.

The Board notes that EPC's forecast of hearing costs was not fully tested during the interim proceedings. Notwithstanding the lack of complete testing, the Board is not persuaded that it should make any reductions to EPC's requested interim rates in respect of forecast hearing costs. The Board considers EPC's forecast of hearing costs can be fully tested during the final proceedings.

6 CAPITAL EXPENDITURES

6.1 Views of the Applicant

EPC forecast capital expenditures of $71.8 million for 2004, which is $10.8 million less than in 2003. EPC stated that this decrease reflects a slower rate of system growth. The capital expenditures can be broadly grouped into customer driven growth and sustainment and improvement. Customer driven growth accounts for $38.1 million, while sustainment and improvement accounts for $33.7 million. EPC submitted that the expenditures were required in order to continue to provide safe and reliable service to existing customers and to efficiently extend service to new customers.

6.2 Views of the Interveners

Calgary

Calgary submitted that it planned to closely examine the capital expenditures identified by EPC and the approval process in the final proceeding. However, Calgary did not oppose the inclusion of the 2004 capital expenditure programs in the determination of interim rates.

6.3 Views of the Board

The Board notes that EPC's forecast of capital expenditures was not fully tested during the interim proceedings. Notwithstanding the lack of complete testing, the Board is not persuaded that it should make any adjustments to EPC's requested interim rates in respect of forecast capital expenditures. The Board considers EPC's forecast of capital expenditures can be fully tested during the final proceedings.

The Board does not consider it necessary to give any guidance to EPC in this Decision respecting the appropriateness of any proposed capital expenditures for 2004. The Board expects EPC to exercise its management responsibilities and only undertake those capital expenditures EPC considers prudent and appropriate.

7 RETURN

7.1 Views of the Applicant

In the Generic Cost of Capital proceeding, EPC applied for a capital structure of 50% equity and 50% debt with a rate of return on equity (ROE) of 11%. EPC considered these values to be reasonable and, therefore, appropriate to be used as placeholders for the Interim Application.

7.2 Views of the Interveners

Calgary

Calgary submitted that EPC should be allowed neither the requested 50% debt and 50% equity ratios nor the 11% ROE. Instead, Calgary submitted that EPC's existing capital structure (60% debt/40% equity) and the existing ROE (10%) should be used in the interim since the decision respecting an appropriate capital structure and ROE for EPC will be made in the Generic Cost of Capital proceeding. The change recommended by Calgary would decrease EPC's 2004 DT revenue requirement from $199.1 million to $191.8 million.

CCA

CCA submitted that the requested ratios and rates were unreasonable and that the capital structure approved in Decision 2003-071 for ATCO Electric Ltd. (AE) should be used as placeholders pending the Board's determinations in the Generic Cost of Capital proceeding. Applying the values approved for AE of 35% equity and 9.4% ROE as placeholders, the 2004 revenue requirement for EPC would be reduced by approximately $ 9.0 million.

PICA

PICA agreed with CCA on this issue.

CIG/CBOB

CIG/CBOC submitted that the Board should approve 60% debt, 40% equity, being EPC's current capital structure, and a 9.4% interim ROE, being the rate approved by the Board for AE in 2004.

IPCCA

IPCCA submitted that the prudent course of action for the Board would be to approve a revenue requirement for EPC that reflects both equity return and debt/equity parameters consistent with those recently approved for other distributors.

7.3 Views of the Board

For the purposes of this interim decision, the Board must decide on what placeholders should be used for 2004. The following options were suggested by the parties:

1. 50% equity and 50% debt with an 11% ROE;
2. 60% equity and 40% debt with a 10% ROE, as used to derive EPC's existing rates;
3. 65% equity and 35% debt with a 9.4% ROE as determined by the Board for AE in Decision 2003-071; and
4. 60% equity and 40% debt per existing EPC rates and a 9.4% return on equity as per Decision 2003-071 for AE.

Although the division of the Board assigned to the Generic Cost of Capital proceeding (Generic Cost of Capital Division) has made it clear that it has not yet determined whether it will finally determine capital structure and cost of capital matters for any utility regulated by the Board, including EPC, the Cost of Capital Division may ultimately exercise its discretion to do so following the completion of that proceeding. The division of the Board assigned to EPC's 2004 DT Application (Municipal Tariff Division) is not in a position to anticipate the decisions to be made by the Generic Cost of Capital Division, particularly since the hearing before that Division commenced November 12, 2003.

In any event, the Board agrees with interveners that the capital structure and ROE placeholders proposed by EPC in the Interim Application cannot be justified on an interim basis. The placeholders proposed by EPC are higher than those that the Board has approved in the recent past and are higher than those currently approved for EPC. For purposes of this interim Decision, the Board considers that it ought to rely on values approved in similar previous decisions, such as ATCO Electric in Decision 2003-071 and Aquila Networks Canada (Alberta) in Decision 2003-019, in order to ensure that EPC's interim 2004 DT is just and reasonable.

Based on these considerations, the Board has determined that a capital structure of 60% debt and 40% equity is an appropriate placeholder for the purposes of establishing the appropriate level of interim rates. Since it reflects the Board's most recent analysis of ROE for a distribution utility subject to the Board's jurisdiction with a relatively similar capital structure, the Board concludes that it is reasonable to use an ROE of 9.4% as a placeholder for the purposes of establishing the appropriate level of interim rates. EPC's proposed capital structure and ROE would result in a revenue requirement component of $40.6 million. The placeholders approved by the Board would result in a revenue requirement component of $35.8 million, a reduction of $4.8 million.

8 REVENUE OFFSETS

8.1 Views of the Applicant

EPC applied for revenue offsets of $4.5 million, which is an increase of $1.3 million over 2003.

8.2 Views of the Interveners

No submissions in this respect were provided by interveners in the interim hearing.

8.3 Views of the Board

The Board notes that EPC's forecast of revenue offsets was not fully tested during the interim proceedings. Notwithstanding the lack of complete testing, the Board is not persuaded that it should make any adjustment to EPC's requested interim rates in respect of forecast revenue offsets. The Board considers EPC's forecast of revenue offsets can be fully tested during the final proceedings.

9 EQUITY FUNDING

9.1 Views of the Applicant

In the past, EPC has collected all of its common equity through its rates. Schedule 5.3 of the Application summarized the calculation of the common equity funding component of EPC's revenue requirement for the year 2004. EPC forecast that it would need to collect $20.6 million to finance the City of Calgary's investment in EPC's plant additions in 2004. Equity funding was calculated based on EPC's common equity percentage as applied for in the Generic Cost of Capital proceeding and on EPC's net cash requirement for Capital Expenditures (net capital expenditures less amortization expense).

EPC proposed to collect its entire common equity requirement from distribution customers. EPC submitted that transmission charges are pooled across the Province and as a result, including a common equity funding component in EPC's transmission revenue requirement would have customers outside of the City of Calgary funding Calgary's equity investment in EPC. EPC submitted that EPC's distribution customers are the ones that benefit from EPC's investment in transmission infrastructure and in fact drive growth in that system.

EPC stated that it had limited access to equity capital and, in particular, no new equity injections from the City of Calgary were forecast for the next five years. In order for EPC to maintain investment-grade bond ratings on a stand-alone basis and to maintain a target capital structure, EPC claimed that it must fund equity from retained earnings. EPC's current distribution revenue requirement includes an adjustment to fund capital expenditures through additional revenue from customer rates. EPC noted that the capital collected through its rates has been determined by EPC's previous regulatory authority (the municipal council of the City of Calgary) to be an equity contribution by the City of Calgary. EPC submitted that the special nature of municipally owned utilities justified an approach that would allow equity funding to be collected from customers through their rates or rate riders. For example, EPC cannot access the capital markets for common equity in the same manner as investor-owned utilities.

EPC submitted that since the current regulatory regime governing it has approved the inclusion of these funds as common equity, the equity collected through rates should continue to be treated as common equity. Because EPC is a wholly owned subsidiary of ENMAX Corporation, ENMAX Corporation is a wholly owned subsidiary of the City of Calgary, the City of Calgary is a municipal corporation, and the citizens of the City of Calgary (served by EPC) are the "shareholders" of the municipal corporation, EPC submitted that the citizens of the City of Calgary were ultimately EPC's "shareholders".

EPC acknowledged three other options available to it if equity funding was not approved by the Board as part of the revenue requirement to derive base rates in 2004:

1. Funding capital projects using debt;
2. Request its shareholder (City of Calgary) to make the investment which the City would fund through increased property taxes; and
3. Adding a rate rider to EPC's DT.

EPC did not consider funding capital projects through debt to be a sustainable practice for the long-term. However, EPC also acknowledged that it would not suffer financial harm if this approach were followed in 2004 as a stand-alone year. EPC further submitted that, since ratepayers and property taxpayers were essentially one and the same, all citizens of Calgary would pay for the equity funding in any case.

9.2 Views of the Interveners

Calgary

Calgary did not oppose the inclusion of an equity funding component in the determination of EPC's interim rates, provided that component is established for interim rate purposes at $17.1 million and is both interim and refundable. Calgary noted that the $17.1 million was calculated using EPC's existing capital structure (40% equity) and ROE (10%).

CCA

CCA submitted that the Board should not adopt the practice of allowing a regulated utility to obtain investment capital from customers through its revenue requirement, notwithstanding the prior practice of EPC's previous regulator, because it is at odds with the Board's traditional approach to rate regulation. However, CCA agreed to equity funding being collected from customers on an interim refundable basis if the equity were treated as no-cost capital. CCA submitted that using debt to fund capital projects might be sustainable if EPC did not pay dividends to its shareholder, since EPC could use those funds to finance capital projects.

PICA

PICA submitted that the funding of EPC's equity through rates should be tested as part of the final hearing. For interim equity funding purposes, PICA submitted that EPC would have other options, such as reducing the amount of dividends paid to the shareholder or by using debt financing.

CIG/CBOC

CIG/CBOC submitted that equity funding through rates is an untested approach and that no equity funding should be approved on an interim basis. Instead, EPC could use debt to finance capital projects. CIG/CBOC noted that, although electricity bills and property taxes may come out of the same pockets, property taxes paid by larger customers, such as their members, were disproportionate to the amounts paid for electricity services. Accordingly, CIG/CBOC considered that it would be more reasonable for equity to be funded through property taxes rather than rates or riders.

Further, CIG/CBOC submitted that section 122 of the EUA does not contemplate the recovery of equity funding through rates. Finally, if equity funding was approved by the Board, CIG/CBOC submitted that a return on this equity funding should not be granted.

IPCCA

IPCCA submitted that equity funding should not be approved on an interim basis.

9.3 Views of the Board

In deciding not to approve an interim increase in EPC's 2004 DT revenue requirement later in this Decision, the Board notes that the $17.6 million shortfall in the 2004 DAS component of the tariff could be viewed as being almost entirely caused by the request to fund common equity in the amount of $17.4 million for the DAS component of the tariff. The Board also notes that an additional request to fund common equity of $3.2 million for the EPC transmission facilities business was included in the EPC equity funding request, resulting in a total 2004 equity funding request of $20.6 million (i.e. $17.4 + $3.2= $20.6).

The Board notes that the interveners have raised serious questions about the justness and reasonableness of approving EPC's request for equity funding through its DT, notwithstanding the nature of its ownership and historical regulation by the City of Calgary. At this interim stage, the Board has not been persuaded by EPC that it would be just and reasonable, on an interim basis, to approve EPC's request for equity funding. The Board considers that a more fulsome exploration of the equity funding issue is required and will occur during the final proceeding to review EPC's 2004 DT. Nevertheless, the Board considers that it would be fair to advise EPC that the Board, at this point in time, agrees that many of the concerns expressed by interveners during the interim proceedings respecting the EPC equity funding proposal appear to have merit and warrant detailed scrutiny before the Board could approve EPC's proposal.

The Board considers that this early expression of the Board's concerns will allow EPC to immediately commence the exploration of other options which might be available to secure any financing required to meet customer needs in 2004 in the event the Board does not approve the EPC equity funding proposal in the final proceeding. This approach is consistent with the steps contemplated in EPC's response to BR-EPC-DT-7(h), by which the Board inquired as follows:

> What steps will EPC and its shareholder take to raise equity financing during the period that interim rates are in effect, in case the Board ultimately denies EPC's proposal to collect equity financing through rates (at the time final rates are approved)? Would the steps taken by EPC and its shareholder change depending on whether or not an interim rate increase was allowed?

EPC provided the following response:

> While EPC is not in a position to comment on the future actions of The City of Calgary, EPC would explore all options to secure the financing required to meet its customer needs and to provide safe and reliable electric service, should the Board decide not to approve the collection of equity funding through EPC's rates. The steps taken by EPC would not change depending upon whether or not an interim rate increase was allowed.

In the Board's view, the following concerns raised during the interim proceedings must be fully addressed in the final proceeding:

1. Whether section 122 of the EUA provides for the funding of equity capital through customer rates.
2. Whether funding through customer rates and property taxes should be considered equivalent in this context.
3. Whether customer-provided funds should be treated as no-cost capital.
4. Whether financing with debt to the extent necessary to adjust the forecast equity ratio to that ultimately allowed by the Board is sustainable.
5. Whether the payment of dividends by EPC to its shareholder, Calgary, inappropriately increases the requirement for equity funding.
6. Whether funding of the equity component of transmission capital expenditures by DT customers is just and reasonable.
7. Whether funding of equity through customer rates, if considered appropriate, should be achieved through a rate rider as opposed to being in rates where it would be funded year after year.
8. Whether approval of EPC's equity proposal will set an inappropriate precedent for other utilities under the Board's jurisdiction.

The Board also considers that the following additional concerns must be fully addressed in the final proceeding:

9. Related to Issue 8 above, whether equity funding through customer rates is consistent with the purposes of the EUA, particularly the purpose expressed in section 5(c) of the EUA to eliminate market distortions from unfair advantages of government-owned or other market participants.

10. Whether the funding of equity through customer rates has the potential to introduce intergenerational inequities.
11. Whether rates that include an involuntary investment by customers can be deemed just and reasonable.
12. Whether the City of Calgary, as sole shareholder, has an appropriate level of accountability, when EPC funds equity through customer rates.

All of the concerns noted above have weighed on the Board's decision not to approve a specific level of equity funding in customer rates on an interim basis in this Decision. The Board has made further inquiries respecting the above concerns in its final IRs to EPC on November 10, 2003.

10 REVENUE DEFICIENCY/SURPLUS

10.1 Views of the Applicant

EPC submitted that the Board should approve its Interim Application as requested, as the approach taken is reasonable in that it balances the interests of both customers and EPC.

EPC applied for a DAS revenue requirement of $143.3 million and a SAS revenue requirement of $55.8 million. Existing DAS rates generate revenues of $125.7 million and existing SAS rates generate revenues of $62.2 million. This results in a DAS revenue deficiency of $17.6 million (thereby indicating an increase of 14% over the $125.7 million in DAS revenues for 2003 is required) and a SAS surplus of $6.4 million (thereby indicating that a decrease of 10% from the $62.2 million in SAS revenues for 2003 is required).

A net $11.2 million DT deficiency results when the DAS deficiency and the SAS surplus are combined, indicating an increase of 6% in overall DT rates. EPC noted that its DT rates have not increased since 2001.

EPC further submitted that SAS rates and DAS rates would either both need to be approved or neither approved, noting that if the new SAS rates are approved but not the DT rates, then EPC would realize a drop in revenues of approximately $6.4 million.

10.2 Views of the Interveners

Calgary

Calgary submitted that EPC should continue to use existing DT rates in the interim since the changes requested in the Interim Application are significant and warrant detailed examination prior to being approved by the Board.

CCA

CCA submitted that EPC should not be granted an interim increase of 2004 DT rates for the following reasons:

1. EPC testified that it would not suffer any financial harm if it did not receive an interim increase in DT rates.

2. EPC suggested that lenders and bond-raters may be concerned about the financial harm suffered by EPC if 2004 rates were not sufficient. However, EPC's evidence indicated that a bond rating is expected within the next month. Furthermore, EPC was unaware of any expression of concern by the bond-rating agency about the impact on the rating for ENMAX Corporation if the rate increase requested in the Interim Application is denied.
3. CCA did not believe that customers would ultimately experience any rate shock if the applied for rates were approved on a final, but not interim, basis. In addition, CCA considered that increases, if required on a final basis, could be smoothed out over a period longer than the last three months in 2004.

PICA

PICA submitted that no interim rate increase was warranted, particularly since a number of the requested items were untested.

CIG/CBOB

CIG/CBOC submitted that EPC should decrease the DT rates by 8% on an interim basis and argued that the Interim Application should be dismissed entirely. CIG/CBOC noted the following reasons for their objection:

1. EPC indicated that it would not experience any financial harm if an interim increase was not granted;
2. There is no reasonable expectation that final approval of the amounts claimed in the 2004 DT Application will be granted by the Board;
3. A number of the items in the Application are untested and;
4. This is EPC's first application and there has been no prior review or testing by the Board or interested parties of the reasonableness of EPC's rates or testing of the components of its revenue requirement.

IPCCA

IPCCA submitted that to approve interim increases in rates, the Board must be satisfied that it is reasonably likely that increases in revenue requirement would ultimately be approved on a final basis. IPCCA submitted that even a superficial review of EPC's 2004 DT Application leads one to question the likelihood of the proposed increases being finally approved by the Board.

10.3 Views of the Board

The Board notes that a number of DAS revenue requirement components are presently untested and warrant further exploration during final proceedings. As noted earlier, the $17.6 million shortfall in the 2004 DAS revenues could be viewed as being almost entirely caused by the request to fund equity in the amount of $17.4 million for the distribution component of the tariff.

The Board notes that with the adjusted interim return and no allowance for equity funding, an interim decrease of 7.6% in EPC's DT rates is indicated (Appendix 3) The Board also notes that with the full requested return and the full allowance for equity funding an interim increase of 6% is indicated. (Appendix 3)

Common to both these scenarios is the possibility of reductions to other components of the revenue requirement and a possible change to the return component after the final proceeding is completed.

Given the wide range of possible outcomes following the final proceeding, the Board considers it would be appropriate to preserve DT rates at their existing level in the interim. At this time there is insufficient reason to warrant either an increase or a decrease in DT rates on an interim basis. With no change in DT rates, an implicit but untested interim refundable equity funding of $14.2 million results as shown on Appendix 3.

Accordingly, the Board will not approve either an increase or decrease in EPC's existing DAS rates to be effective January 1, 2004.

The Board has reservations about continuing SAS rates that are approximately 10% higher than the SAS revenue requirement. However, the Board recognizes the benefits of DT rate stability and considers that changes in DT (i.e. DAS and SAS) rate structures should be done in concert taking into consideration the overall effects on customers and rate classes after a more fulsome review in the final proceeding.

Accordingly, the Board will not approve either an increase or decrease in EPC's existing SAS rates to be effective January 1, 2004.

The Board approved DAS and SAS Rates are shown on Schedule A.

11 RATE DESIGN

11.1 Views of the Applicant

EPC proposed changes to its existing rate design, including the following:

- Lowering the 500 kVA limit on Medium Commercial Customers - Secondary (D300) to 150 kVA.
- Discontinuing the Medium Commercial Customers – Primary (D400) class. Most customers on this rate will be transferred to D410.
- Lowering the 500 kVA limit on Large Commercial Customers – Secondary (D310) to 150 kVA.
- Lowering the 500 kVA limit on Large Commercial Customers – Primary (D410) to 150 kVA.
- The structure for payment under D410 for alternate feeds would be changed from a peak demand rate to an $85/day charge.
- A new rate class called Transmission Connected Service (D700) for sites that are directly connected to the transmission system in EPC's service area.

EPC completed a cost of service study (COSS) in 2000, which showed that revenue to cost ratios were close to 100 percent. However, the most recent COSS done for 2004 showed that the revenue to cost ratios for some rate classes diverged from the range of 95 to 105 percent. EPC was reluctant to adjust the rates beyond what was proposed until the COSS has been fully tested in the final proceeding.

11.2 Views of the Interveners

CCA

CCA submitted that no material changes to rate design should be made in the interim.

PICA

PICA submitted that rate design changes should not be implemented in the interim. PICA was concerned about changing rate design in the interim since the changes result in significant increases for larger customers and the changes have not yet been tested.

CIG/CBOB

CIG/CBOC also strongly opposed the proposed rate design changes in the interim. In addition CIG/CBOC suggested that the existing charges for the alternate feeds should be discontinued on the basis that these charges have not been justified by EPC.

CIG/CBOC submitted that the allocators used in the COSS were flawed and differ significantly from allocators used by other electric utilities. CIG/CBOC also submitted that there were errors in the EPC Application, which should not be approved until further scrutiny can be completed.

Finally, CIG/CBOC had concerns over the shifting of rate classes and the elimination of others before a complete assessment of the COSS can be completed.

IPCAA

IPCAA submitted that the majority of the increase appears to arise not from a COSS, but from the rate design itself. Specifically, EPC proposes to provide significant increases to large customers with such increases driving the revenue-to-cost ratio for distribution farther away from 100 percent. Such treatment would appear to be inconsistent with the principles established by the Board in relation to the DT of Aquila Networks Canada (Alberta) Ltd. in Decision 2003-019. IPCAA also submitted that if EPC's proposal to consolidate certain rate classes is approved on interim basis but rejected in the final decision, affected customers would experience unnecessary confusion and inconvenience.

11.3 Views of the Board

The Board agrees that it would not be appropriate to approve significant changes to EPC's rate design on an interim basis, especially in view of the Board's decision not to increase the level of DT rates. Accordingly the Board will continue the level and design of EPC's existing DAS and SAS rates on an interim basis.

However, the Board is persuaded that it should accept EPC's proposed new price schedule for Transmission Connected Sites since this is a new rate and may be required to be used prior to the Board's final determination of rates.

12 TRANSMISSION ACCESS CHARGE (TAC) DEFERRAL ACCOUNT

12.1 Views of the Applicant

EPC requested that the mechanism for the proposed TAC deferral account be approved on a final basis. The deferral account would be trued up on a quarterly basis for both price and volumes. The opening balance of the deferral account would be zero.

EPC considered that including 2003 surpluses or deficiencies in the 2004 TAC deferral account amounted to retroactive rate-making and was, therefore, inappropriate. The current structure was approved by EPC's regulator of the day and at that time EPC choose to assume the risk for SAS charges. EPC's position applied to both the Engage Article 24 Refund[5] and the AESO's 2000-2002 Deferral Account Reconciliation Application.[6]

12.2 Views of the Interveners

Calgary

Calgary submitted that the opening balance of the TAC deferral account should include the Engage Article 24 Refund. The opening balance should also include the difference between 2003 SAS costs and 2003 SAS revenues. As there is often a long lag to finalize transmission costs and charges, Calgary believed that all charges or refunds related to years prior to 2004 should be included in the deferral account for the year in which EPC receives the charge or refund in respect of those costs and charges. For the purposes of the interim DT, Calgary submitted that EPC should establish an opening balance of $16 million for this deferral account, representing the difference between the 2003 SAS revenues and costs. Calgary further submitted that, in the absence of a previously approved reporting format for this proposed deferral account, the 2003 RRO quarterly deferral account report format could be adapted for use by EPC in relation to this account.

PICA

PICA submitted that the TAC deferral account was acceptable on an interim basis subject to the two following stipulations:

1. The deferral account should be by component and by rate class and;
2. EPC should be incented to minimize these charges by assuming volume risk.

CIG/CBOC

CIG/CBOC supported PICA on this issue.

12.3 Views of the Board

The Board agrees with EPC that a TAC deferral account should be established effective January 1, 2004.

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[5] Approved by the Board in Decision 2003-054 on July 8, 2003.

[6] Application No. 1313525 (currently in progress).

However, the Board considers that implementing the structure and mechanics of EPC's proposed TAC deferral account would be inconsistent with maintaining EPC's existing SAS rates for interim purposes effective January 1, 2004.

Therefore, the Board will defer implementation of the structure and mechanics of the TAC deferral account for EPC until after the final proceeding. The Board considers that the structure and mechanics of EPC's TAC deferral account can be fully tested in the final proceeding.

The Board notes that the AESO has applied to the Board to refund TAC of approximately $10.2 million to EPC (comprised of an Article 24 amount of $8 million and a 2000-2002 AESO Deferral Account amount of $2.2 million)[7]. The Board agrees with EPC that it is the responsibility of EPC's current regulator to determine whether these funds should flow-through to EPC DT customers and if so the period of time over which these funds would be passed on to EPC DT customers.

The Board notes that if EPC's current regulator decides to flow these funds through to DT customers over some period of time in 2004, EPC can apply for Board approval of a "Special Transmission Rider" (similar to that approved for EDI DT in Decision 2003-085). The Board notes that EPC need not specify exact amounts to be refunded pending the Board's disposition of the AESO Deferral Account Application No. 1313525.

13 2000 DEFICIENCY RIDER DEFERRAL ACCOUNT

13.1 Views of the Applicant

EPC applied for the current 2000 Deficiency Rider Deferral Account to be continued pursuant to subsections 4(2) and 4(3)(a) of the *DT Regulation*.

13.2 Views of the Interveners

Calgary

Calgary submitted that EPC should reforecast the per customer charge for the $52 million deficit using the new load forecast numbers.

13.3 Views of the Board

Section 4(2) of the *DT Regulation* provides for EPC to apply for continuation of its 2000 Deficiency Rider in the following terms:

> **(2)** The application under subsection (1) may include any distribution tariff riders approved by the council of the municipality on or before October 1, 2003 for recovery of deferral accounts in place for costs or charges incurred before January 1, 2004.

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[7] AESO Deferral Account Application No. 1313525; BR-AESO-06 and Companies-AESO-06

Section 4(3)(a) of the DT Regulation restricts the Board's discretion in relation to these pre-approved DT riders:

> **(3)** On receiving an application under subsection (1), the Board must, not later than November 30, 2003,
>
> (a) approve without change or alteration any distribution tariff riders referred to in subsection (2) … .

The Board notes that EPC's 2000 Deficiency Rider was approved by Calgary City Council on December 11, 2000.[8] Therefore, it is subject to subsections 4(2) and 4(3)(a) of the *DT Regulation*.

The Board notes Calgary's suggestion that EPC should reforecast the per customer charge for the remaining 2000 Deferral Account deficit of $52 million be recalculated using EPC's new load forecast numbers.

While the Board agrees that Calgary's position may have merit, the Board considers that this suggestion would amount to "altering" the currently approved EPC's 2000 Deficiency Rider and would therefore violate the section 4(3)(a) of the *DT Regulation*.

Accordingly the Board hereby approves the provisions of the EPC 2000 Deficiency Rider as originally approved by Calgary City Council on December 11, 2000 and included this Rider in the approved interim DT Price Schedules.

14 TERMS AND CONDITIONS & FEES FOR SERVICES

14.1 Views of the Applicant

EPC submitted that the Terms and Conditions and Fees for Services should be approved as filed on an interim basis effective January 1, 2004.

14.2 Views of the Interveners

Interveners agreed that the Terms and Conditions and Fees for Services could be approved on an interim basis.

14.3 Views of the Board

The Board agrees with EPC and the interveners that the Terms and Conditions and Fees for Services should be accepted as filed on an interim basis.

Accordingly the Board approves the EPC Terms and Conditions and Fees for Services on an interim basis effective January 1, 2004 as shown on Schedule B Terms and Conditions of Service.

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[8] BR-EPC (DT) 3(a).

15 CODE OF CONDUCT

15.1 Views of the Applicant

EPC submitted that the Code of Conduct should be approved as filed on an interim basis effective January 1, 2004.

15.2 Views of the Interveners

Interveners agreed that the Code of Conduct could be approved on an interim basis.

15.3 Views of the Board

The Board agrees with EPC and the interveners that the Code of Conduct should be accepted as filed on an interim basis.

Accordingly the Board approves the EPC Code of Conduct on an interim basis effective January 1, 2004, as shown on Schedule C ENMAX Corporation Code of Conduct.

16 REGULATED RATE TARIFF (RRT) ARRANGEMENT

The Board will address the issue of EPC's appointment of EEC as the regulated rate provider in the EPC service area in the Board's forthcoming decision respecting EPC's application on behalf of ENMAX Energy Corporation (EEC) for approval of EEC's 2004 RRT.

17 SUMMARY OF APPROVALS

This section is provided for the convenience of readers. In the event of any difference between the Approvals in this section and those in the main body of the report, the wording in the main body of the Decision shall prevail.

1. Accordingly, the Board will not approve either an increase or decrease in EPC's existing DAS rates to be effective January 1, 2004. 14
2. Accordingly, the Board will not approve either an increase or decrease in EPC's existing SAS rates to be effective January 1, 2004. 14
3. The Board agrees that it would not be appropriate to approve significant changes to EPC's rate design on an interim basis, especially in view of the Board's decision not to increase the level of DT rates. Accordingly the Board will continue the level and design of EPC's existing DAS and SAS rates on an interim basis. 15
4. Accordingly the Board hereby approves the provisions of the EPC 2000 Deficiency Rider as originally approved by Calgary City Council on December 11, 2000 and included this Rider in the approved interim DT Price Schedules. 18
5. Accordingly the Board approves the EPC Terms and Conditions and Fees for Services on an interim basis effective January 1, 2004 as shown on Schedule B Terms and Conditions of Service. 18
6. Accordingly the Board approves the EPC Code of Conduct on an interim basis effective January 1, 2004, as shown on Schedule C ENMAX Corporation Code of Conduct. 19

Dated in Calgary, Alberta on November 14, 2003.

ALBERTA ENERGY AND UTILITIES BOARD

N. W. MacDonald

N.W. MacDonald, P.Eng
Presiding Member

R Lock.

R. G. Lock, P. Eng.
Member

J. I. Douglas, FCA
Member

APPENDIX 1 – PARTIES PARTICIPATING IN THE PROCEEDING

Principals and Representatives (Abbreviations Used in Report)	Witnesses
ENMAX Power Corporation (EPC) and ENMAX Energy Corporation (EEC) L. A. Cusano, Esq. D. A. Wood	EEC Dr. Ed Overcast, PhD Stuart Berry J. R. Joyce Bob Cummings Brad Thompson Allan Buchignani EPC K. Phillips Brad Thompson Allan Buchignani
EPCOR Energy Services (EESI) and EPCOR Distribution Inc. (EDI) J. M. Liteplo, Esq. D. E. Crowther, Esq.	EESI B. DeNeve Brian Gerdes EDI B. DeNeve Rick Cowburn
ATCO Electric Limited L. G. Keough, Esq. Kristen Lozynski, Esq.	
Calgary Industrial Group and Calgary Building Owners Coalition L. L. Manning, Esq	
Consumers Coalition of Alberta J. A. Wachowich	
Direct Energy Preferred P. Nigol	
Industrial Power Consumer Association M. S. Forster, Esq. Dan B. Macnamara	
Edmonton Extended Care Group (EECG), St Michael's Long Term Care Center Society, Devonshire Care Centre Roger Bellows A. O. Ackroyd, Q. C	

Principals and Representatives (Abbreviations Used in Report)	Witnesses
Calgary Care Center Group (CCCG) Glamorgan Care Center, Mayfair Care Centre, Newport Harbour Care Centre Roger Bellows A. O. Ackroyd, Q. C	
Public Institutional Consumers of Alberta Nancy J. McKenzie, Esq Raj Retnanandan	
The City of Calgary D. I. Evanchuk, Esq.	
The Cities of Lethbridge, Red Deer, and University of Alberta Phyllis A. Smith, Q. C.	
Utilities Consumer Advocate C. R. McCreary Roger W. Jackson	
Board Panel N. W. MacDonald, P. Eng. R. G. Lock, P. Eng. J. I. Douglas, FCA	
Board Counsel Allan Domes, Esq.	
Board Staff Brian Ploof Kim Koshelanyk Wayne Taylor	

APPENDIX 2 – BOARD PRE-HEARING CONFERENCE IN THE PROCEEDINGS

File No. 1210-1, 1706-3, 1210-2, 1706-4

September 17, 2003

2004 DISTRIBUTION TARIFF (DT) APPLICATIONS
ENMAX POWER CORPORATION (EPC), Application No. 1306819
EPCOR DISTRIBUTION INC. (EDI), Application No. 1306821

2004 REGULATED RATE TARIFF (RRT) APPLICATIONS
ENMAX ENERGY CORPORATION (EEC), Application No. 1306818
EPCOR ENERGY SERVICES (EESI), Application No. 1306820

RE: MATTERS DISCUSSED AT PRE-HEARING CONFERENCE

The purpose of this letter is to set out the Board's decisions respecting matters discussed at the Pre-Hearing Conference held at the Board's Hearing Room in Edmonton on September 12, 2003.

Oral vs. Written Interim Proceeding

The Board has decided to defer a decision on whether the interim proceeding should be an oral or written proceeding until parties have had the opportunity to review the DT and RRT Applications that are required to be filed on or before October 1, 2003.

Interested parties are requested to submit written comments to the Board on or before October 10, 2003 respecting whether the interim proceeding should be an oral or written process. Parties should also indicate any additional issues identified in their detailed review of the interim application that they consider must be dealt with in the interim proceeding. The Board will then be in a position to make a final decision on the interim issues and process on or before October 17, 2003. In the meantime the Board will maintain the interim oral hearing dates of October 27-31, 2003 and the currently scheduled venue located at the 12th floor, 10055-106 Street, Edmonton, Alberta.

Interim and Final Issues Lists

The Board has included an updated copy of the Interim and Final Issues Lists incorporating the comments received by the Board during the Pre-Hearing Conference.

Location and Order of Final Hearing

The Board concurs with the Pre-Hearing Conference consensus that the forthcoming Applications should be heard on a company basis with each company's DT Application heard first followed by that company's RRT Application.

The Board has decided to commence the Final Proceeding in Edmonton on March 1, 2003 and hear the EPCOR DT and RRT Applications. Immediately after hearing the EPCOR Applications, the Board will move the proceedings to Calgary and hear the ENMAX DT and RRT Applications.

The Board has reflected the above Board decisions on the attached revised Hearing Schedule.

Exhibit Numbering

As set out in the July 14, 2003 Notice, exhibit numbers will be assigned as follows:

Applicant/Intervener	Pre-Assigned Exhibit Numbers
Board	001-XX
ENMAX	002-XX
EPCOR	003-XX
Intervener 1	004-XX
Intervener 2, etc	005-XX

Interveners wishing to submit evidence should contact Board staff to obtain their pre-assigned block of Exhibit numbers.

The Board has marked the Notice of these proceedings as Exhibit 1-1. At the recommencement of proceedings, the Board will mark the Pre-Hearing Conference package of material as Exhibit 1-2 and this letter as Exhibit 1-3.

Please direct any questions respecting these matters to Brian Ploof at (780) 422-2597.

Yours truly,

<original signed by>

Brian Ploof

Application Officer

Attachments:
Revised Hearing Schedule
Revised Interim/Final Issues Lists

Revised Schedule for 2004 ENMAX/EPCOR DT and RRT Municipal Electric Service Proceedings dated September 15, 2003

Event	Date
Notice	July 14, 2003
Register as an Intervener	August 15, 2003
Initial Applicant Issues List	September 2, 2003
Initial Intervener Issues List	September 8, 2003
Pre-Hearing Conference (9:00 AM)	September 12, 2003
Initial Board Issues List (Interim and Final Tariffs)	September 15, 2003
Applications Filed (Latest date permitted by law)	October 1, 2003 (or earlier)
Comments by Interested Parties respecting Interim Proceeding (Oral vs. Written)	October 10, 2003
Board Decision respecting whether Interim proceeding is Oral or Written	October 17, 2003
Interim Tariff Proceeding Schedule (If Oral)	
IRs to Applicants	October 10, 2003
Applicants Responses to IRs	October 20, 2003
Hearing on ENMAX and EPCOR Interim Tariffs (oral argument and reply) 12th Floor, 10055-106 Street, Edmonton, Alberta	October 27-31, 2003
Interim Tariff Proceeding Schedule (If Written)	
IRs to Applicants	October 10, 2003
Applicants Responses to IRs	October 20, 2003
Written Argument	October 27, 2003
Written Reply	October 31, 2003
Interim Board Decision(s)	
Initial Board Decision	November 14, 2003
Re-filings by Applicants	November 21, 2003
Final Decision(s)	November 28, 2003
Final Proceeding	
IRs to Applicants	November 10, 2003
Applicant Responses to IRs	December 10, 2003
Intervener Evidence	January 14, 2004
IRs to Interveners	January 28, 2004
Intervener Responses to IRs	February 12, 2004
Rebuttal Evidence	February 23, 2004
Hearing of EPCOR DT and RRT Applications in Edmonton 12th Floor, 10055-106 Street, Edmonton, Alberta	March 1-XX, 2004 1:30 pm
Hearing of ENMAX DT and RRT Applications in Calgary Govier Hall 640-5th Avenue SW Calgary, Alberta	March XX-26, 2004
EPCOR DT and RRT Argument	April 26, 2004
EPCOR DT and RRT Reply	May 17, 2004
ENMAX DT and RRT Argument	May 3, 2004
ENMAX DT and RRT Reply	May 24, 2004
Initial Decision(s)	August 10, 2004
Re-filings by Applicants	August 24, 2004
IRs on Re-filings (if Board determines necessary)	August 31, 2004
Responses to IRs	September 6, 2004
Submissions on Re-filings	September 13, 2004
Reply Submissions	September 20, 2004
Final Decision(s)	September 30, 2004

Table 1-REGULATED RATE TARIFF INTERIM AND FINAL ISSUES LISTS UPDATED SEPTEMBER 15, 2003

REGULATED RATE TARIFF	EESI Interim RRT Issues	EEC Interim RRT Issues	EESI/EEC Final RRT Issues
RRT Energy Rate	1. Final Approval of Negotiated Settlement for residential energy transition rate. (Otherwise same issues as per EEC) 2. Reasonableness of interim non-residential RRT flow-through energy rate	1. Final approval of the energy transition rate 2. RFP process 3. Fairness and appropriateness of the RFP process 4. Terms and conditions of the RFP 5. Bidder's list and bidder qualification criteria 6. RFP response evaluation criteria 7. Results and transparency of the RFP process 8. Contract terms with and contractual obligations of the successful bidder(s) 9. Derivation of load forecast underlying the RFP volumes 10. Derivation of number of energy blocks to be procured 11. Derivation of energy block size(s) and type (e.g., baseload, peak) 12. Determination of product terms (length) 13. Risk minimization objectives and strategy on behalf of RRT customers 14. RRT energy charge rate structure 15. RRT Energy Deferral account structure, application to billing and audit review 16. Reasonableness of interim non-residential RRT flow-through energy rate	1. Non-residential RRT flow-through energy rate 2. RRT lifeline rate 3. Rate classification definitions
RRT Non-Energy Rate	1. Final Approval of Negotiated Settlement if it includes non-energy rate. 2. Other wise EESI not requesting any increase to non-energy 2003 retail charge on an interim basis effective January 1, 2004	1. Reasonableness of interim refundable RRT non-energy charges	1. Non-energy charges 2. Return margin - percentage and on what RRT components 3. Allocation of Corporate costs 4. Non-energy cost allocation (fixed versus variable) 5. Non-energy cost allocation (regulated versus non-regulated) 6. RRT lifeline rate

REGULATED RATE TARIFF	EESI Interim RRT Issues	EEC Interim RRT Issues	EESI/EEC Final RRT Issues
RRT Billing Presentation	1. Distribution & transmission charges shown separately	1. Distribution & transmission charges shown separately	
RRT Terms and Conditions	1. Reasonableness of interim RRT terms and conditions 2. Reasonableness of interim RRT fees for additional services	1. Reasonableness of interim RRT terms and conditions 2. Reasonableness of interim RRT fees for additional services	1. RRT Terms and conditions 2. RRT Fees for additional services
Authorization of RRT Provider	1. EDI authorization of EESI as RRT Provider	1. EPC authorization of EEC as RRT Provider	

Table 2-DISTRIBUTION TARIFF (DT) INTERIM AND FINAL ISSUES LISTS UPDATED SEPTEMBER 15, 2003

DT APPLICATION	EDI Interim DT Issues	EPC Interim DT Issues	EDI/EPC Final Issues
Changes in Level of DT Rates	EDI not requesting any increase to EDI 2003 rate levels on interim basis effective January 1, 2004	EPC is requesting an increase to EPC 2003 rate levels on an interim basis effective January 1, 2004. Reasons for increase to be examined	Final Requested changes to 2003 rate levels not known at this time
Section 3 – Load and Revenue Forecasts	1. None subject to confirmation of no DT interim increase	1. Changes in load and revenues from 2003	1. Economic parameters 2. Customer growth rates - year end and average 3. KWh by customer class 4. Revenue by customer class
Section 4 – Operating Expenses	1. None subject to confirmation of no DT interim increase	1. Material changes in O & M from 2003 2. Allocation of costs between DT and RRT	1. Corporate Cost Allocation 2. Allocation of O&M expenses within distribution companies (i.e. distribution, transmission, commercial services, and outside municipal boundaries expenses) 3. Historical O&M expenses
Section 5 – Other Revenue Requirement Items	1. Final Approval of implementation of Deferral account for transmission access charges	1. Final Approval of implementation of Deferral account for transmission access charges 2. Final Approval of Current deferral account dedicated to the 2000 Deficiency Rider	1. Transmission access charge forecast and deferral Account 2. Hearing Cost Reserve Account 3. Dividend payout policies 4. Self Insurance Reserve Account (EDI)

DT APPLICATION	EDI Interim DT Issues	EPC Interim DT Issues	EDI/EPC Final Issues
Section 6 – Rate Base	1. None subject to confirmation of no DT interim increase	1. Review Rate Base Valuation 2. Major 2004 Capital Additions	1. Capital asset values per Notice Attachment 4 and PICA Sep 8, 2003 issues letter 2. 2004 capital expenditures 3. Financing of rate base 4. Accumulated depreciation 5. Contributions in aid of construction and necessary working capital (EPC) 6. Asset transfer values 7. Working capital requirements (EPC) 8. Historical capital additions 9. Historical contributions
Section 7 – Depreciation and Amortization	1. None subject to confirmation of no DT interim increase	1. Changes from 2003	1. Depreciation/Amortization Methods 2. Depreciation/Amortization Rates by Asset Class

APPENDIX 3 – 2004 EPC DAS AND SAS REVENUE REQUIREMENT

ENMAX DAS and SAS
Rev Req

(Consists of 1 page)

2004 EPC DT Revenue Requirement

DAS Component	Per EPC	Per EPC	Per Board	Per Board Interim	Per Board
Operating expense	50,000	50,000	50,000	50,000	50,000
Amortization	38,800	38,800	38,800	38,800	38,800
CIAC	-5,900	-5,900	-5,900	-5,900	-5,900
Hearing Cost	3,700	3,700	3,700	3,700	3,700
Return	40,600	40,600	35,752	35,752	40,600
Revenue Offset	-4,500	-4,500	-4,500	-4,500	-4,500
Dist Equity Funding	17,400	17,400	0	-	
Trans Equity Funding	3,200	3,200	0	-	-
Implicit Total Equity Funding	20,600	20,600	0	14,220	20,600
Total DAS Revenue Requirement	143,300	143,300	117,852	132,072	143,300
SAS Revenue Requirement	55,800		55,800	55,800	55,800
Total DT Revenue Requirement	199,100		173,652	187,872	199,100
DAS Revenues	125,675	143,210	125,675	125,675	125,675
SAS Revenues @ proposed rates	55,800				
SAS Revenues @ existing rates			62,197	62,197	62,197
Total DT Revenues	181,475		187,872	187,872	187,872
DT (Deficiency)/Surplus	(17,625)	(90)	14,220	0	(11,228)
DT Inc/(Decrease)	9.71%		-7.57%	0.00%	5.98%

Note: The Board notes from BR-EPC-DT-1 that the total equity funding required at a 60% Debt, 40% Equity is $17.1 million consisting of distribution at $13.9 million and transmission at $3.2 million.

2004 EPC DT Revenue Requirement

DAS Component	Per EPC	Per EPC	Per Board	Per Board Interim	Per Board
Operating expense	50,000	50,000	50,000	50,000	50,000
Amortization	38,800	38,800	38,800	38,800	38,800
CIAC	-5,900	-5,900	-5,900	-5,900	-5,900
Hearing Cost	3,700	3,700	3,700	3,700	3,700
Return	40,600	40,600	35,752	35,752	40,600
Revenue Offset	-4,500	-4,500	-4,500	-4,500	-4,500
Dist Equity Funding	17,400	17,400	0	-	-
Trans Equity Funding	3,200	3,200	0	-	-
Implicit Total Equity Funding	20,600	20,600	0	[redacted]	20,600
Total DAS Revenue Requirement	143,300	143,300	117,852	132,072	143,300
SAS Revenue Requirement	55,800		55,800	55,800	55,800
Total DT Revenue Requirement	199,100		173,652	187,872	199,100
DAS Revenues	125,675	143,210	125,675	125,675	125,675
SAS Revenues @ proposed rates	55,800				
SAS Revenues @ existing rates			62,197	62,197	62,197
Total DT Revenues	181,475		187,872	187,872	187,872
DT (Deficiency)/Surplus	(17,625)	(90)	14,220	0	(11,228)
DT Inc/(Decrease)	[redacted]		[redacted]	[redacted]	[redacted]

Note: The Board notes from BR-EPC-DT-1 that the total equity funding required at a 60% Debt, 40% Equity is $17.1 million consisting of distribution at $13.9 million and transmission at $3.2 million.

SCHEDULE A – EPC DAS AND SAS PRICE SCHEDULES

ENMAX DAS and SAS
Price Schedules

(Consists of 21 pages)

ENMAX POWER CORPORATION

DISTRIBUTION ACCESS TARIFF

RATE SCHEDULES

DISTRIBUTION ACCESS TARIFF

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Distribution Access Tariff
Residential

Rate Code D100
Rate Schedule for the provision of Distribution Access Service to customers of a Retailer.

Eligibility

1. Electricity services used exclusively for domestic purposes in separate and permanently metered single family dwelling units with each unit either separate or incorporated in a common building with other units.
2. As a single phase 2 or 3 wire service supplied at a standard voltage normally available.

Rate

System Access Charge

a) Service Charge:	$0.1000 per day
b) System Usage Charge:	0.29204 cents per kWh

Distribution Access Charge

a) Service and Facilities Charge:	$0.1968 per day
b) System Usage Charge:	1.17700 cents per kWh

Billing Period

Monthly

Terms and Conditions

The Retail Access Service and Consumer Access Service Terms and Conditions of ENMAX Power Corporation form part of this rate schedule and apply to all service supplied under this tariff.

Other

1. No more than one additional unit of living quarters within a single family dwelling, such as a basement suite equipped with cooking facilities, may be provided electricity services through one meter at this Residential Rate. If the dwelling contains more than one additional self-contained unit of living quarters, a Commercial Rate will apply unless a separate meter is installed for each unit.

   All new construction in R2 or higher density areas shall have a separate meter for each suite, or alternatively the electricity services may be billed at the appropriate Commercial Rate.

2. The Residential Rate shall not apply to any residence that is used for commercial purposes unless home occupation conforms with Land Use By-Law Number 2P80

Local Access Fee (LAF)

A Fee set by the City of Calgary applicable to all services located within the City of Calgary.

Distribution Access Tariff
Small Commercial

Rate Code D200

Rate Schedule for the provision of Distribution Access Service to customers of a Retailer.

Eligibility

Within ENMAX distribution limits for electricity services which are permanently metered and where the energy consumption is less than 5,000 kWh per month.

Rate

System Access Charge

a) Service Charge:	$0.2064 per day
b) System Usage Charge:	0.29742 cents per kWh

Distribution Access Charge

a) Service and Facilities Charge:	$0.3488 per day
b) System Usage Charge:	0.94500 cents per kWh

Billing Period

Monthly

Terms and Conditions

The Retail Access Service and Consumer Access Service Terms and Conditions of ENMAX Power Corporation form part of this rate schedule and apply to all service supplied under this tariff.

Other

1. Metering to be at the available single phase or three phase Secondary Voltage, or as negotiated.

2. This rate is not applicable where the customer is using electrical generating equipment for other than emergency use.

3. Temporary Current Permit:

a) Installation shall be approved by the Building and Planning Division of the City for "temporary current permit" connection under current By-Law.

b) All Electricity Services shall be metered.

4. Temporary Construction/Service

a) The cost of construction and rental charges for transformers and equipment where deemed necessary, required for any temporary Electricity Services, whether single or three phase, or whether served from an overhead or underground source, shall be payable by the Customer in advance based on an estimate approved by the President or his designate. Construction charges will include up and down labour and vehicle and equipment costs less salvage value.

b) A rental charge for ENMAX-owned transformers and equipment will be payable by the Customer where deemed necessary.

c) Construction charges shall include labour, vehicle and equipment costs, for installation and removal, and material costs less salvage value.

d) Any damage occurring to ENMAX equipment through misuse on the Customer's part shall be charged to the said Customer and such costs will be recovered by with holding the amount from the Customer's deposit.

5. Temporary Connection Service – Where applied-for Consumer Services are to be used for temporary purposes only, EPC will require the Customer to pay in advance of the installation, EPC's total cost of installation and removal of the Facilities required for the temporary service, plus the cost of unsalvageable material.

6. Unmetered Customers – Unmetered customers will have their Distribution Access Charge – Service and Facilities Charge reduced by $0.05 per day.

7. Charges for other miscellaneous services provided by ENMAX are applied as per the Consumer Services Fee Schedule.

Local Access Fee (LAF)

A Fee set by the City of Calgary applicable to all services located within the City of Calgary.

Distribution Access Tariff
Medium Commercial - Primary

Rate Code D400

Rate Schedule for the provision of Distribution Access Service to customers of a Retailer.

Eligibility

Within ENMAX distribution limits for electricity services where the energy consumption is greater than 5,000 kWh per month and a monthly peak demand of 500 kVA was not registered twice in the previous 12 months.

Rate

System Access Charge

a) Facilities Charge:	$0.0427 per day per kVA of Contract Demand
b) System Usage Charge:	0.30206 cents per kWh

Distribution Access Charge

a) Service Charge:	$2.1370 per day
b) Facilities Charge:	$0.0371 per day per kVA of Contract Demand
c) System Usage Charge:	0.76042 cents per kWh

Where:

Contract Demand is the greater of: (a) highest kVA demand in the last 12 months or (b) kVA of capacity contracted for by the customer.

Billing Period

Monthly

Terms and Conditions

The Retail Access Service and Consumer Access Service Terms and Conditions of ENMAX Power Corporation form part of this rate schedule and apply to all service supplied under this tariff.

Other

1. The minimum contract period is one year at the prevailing rates, which are subject to change during the contract period.
2. The customer is responsible for supplying all transformers whether owned outright or rented.
3. ENMAX will supply the metering components for which the customer must provide accommodation in accordance with Safety Codes Act of Alberta (SCAA), Electrical Protection Act (EPA), Canadian Standard Association (CSA) and ENMAX standards.
4. The customer may make arrangements with ENMAX for the maintenance and repairs of transformers.
5. "Primary Metering" shall be metering at ENMAX's primary distribution voltage with any subsequent transformation being the sole responsibility of the customer.
6. This rate is not applicable where the customer is using electrical generating equipment for other than emergency use.
7. Customer-owned transformers with primary-voltage metering on a single meter
    a. It is recommended that the customer carry in stock on the premises, spare transformers and fuses and other material that may be required for emergency repairs to the electrical system.
    b. It is recommended that the customer have qualified electricians available at all times of the day or night for operation and maintenance. ENMAX will respond to emergency conditions with all costs incurred being rechargeable to the customer.
8. Non-standard Residential Bulk-Metering

   Bulk metering of multiple-unit residential occupancies under one corporate identity, i.e. town housing, apartments, mobile home parks, shall be subject to the following:

a. Metered conductors shall not cross public streets, lanes, or other public property.
b. The customer shall not re-sell electricity, but may include electricity as part of the rental charge but not separate therefrom. (By-Law Number 7862)
c. The customer shall maintain a reasonable well-balanced load on ENMAX in-feed.
d. Costs payable by customer or customer's responsibility include:

    i) Cost of enclosures for metering equipment.
    ii) Where applicable, excess metering costs over and above the cost of single-point secondary-voltage Metering (one meter and three Current Transformers (CTs), except where otherwise specifically provided for.
    iii) All construction costs on the load side of the meter.
    iv) All other construction costs, subject to standard ENMAX investment policies.
    v) All operating and maintenance costs for the electrical system on the load side of the meter, and for main Service Location disconnects, fuses or breakers, and including costs of periodic inspection and preventive maintenance of the electrical system on the private property where otherwise specifically provided for.

e. Bulk Electricity Services metered at a Primary Voltage on a single meter shall be subject to the following:

    i) On written application from customer where extenuating circumstances exist, Primary Voltage Metering may be considered on a special permission basis.
    ii) The General Service Demand Energy Rate shall apply, subject to a minimum Billing Demand of 500 kVA. Where Demand load is in excess of 500 kVA then primary Metering allowance shall apply, subject to the billing being not less than the basic Rate calculated for 500 kVA.

Local Access Fee (LAF)

A Fee set by the City of Calgary applicable to all services located within the City of Calgary.

Distribution Access Tariff
Medium Commercial - Secondary

Rate Code D300

Rate Schedule for the provision of Distribution Access Service to customers of a Retailer.

Eligibility

Within ENMAX distribution limits for electricity services where the energy consumption is greater than 5,000 kWh per month and a monthly peak demand of 500 kVA was not registered twice in the previous 12 months.

Rate

System Access Charge

a) Facilities Charge:	$0.0427 per day per kVA of Contract Demand
b) System Usage Charge;	0.30206 cents per kWh

Distribution Access Charge

a) Service Charge:	$0.8219 per day
b) Facilities Charge:	$0.0561 per day per kVA of Contract Demand
c) System Usage Charge:	0.76042 cents per kWh

Where:

Contract Demand is the greater of: (a) highest kVA demand in the last 12 months or (b) kVA of capacity contracted for by the customer.

Billing Period

Monthly

Terms and Conditions

The Retail Access Service and Consumer Access Service Terms and Conditions of

ENMAX Power Corporation form part of this rate schedule and apply to all service supplied under this tariff.

Other

1. The minimum contract period is one year at the prevailing rates, which are subject to change during the contract period.
2. This rate is not applicable where the customer is using electrical generating equipment for other than emergency use.
3. Non-standard Residential Bulk-Metering

   Bulk metering of multiple-unit residential occupancies under one corporate identity, i.e. town housing, apartments, mobile home parks, shall be subject to the following:

   a) Metered conductors shall not cross public streets, lanes, or other public property.
   b) The customer shall not re-sell electricity, but may include electricity as part of the rental charge but not separate therefrom. (By-Law Number 7862)
   c) The customer shall maintain a reasonable well-balanced load on ENMAX in-feed.
   d) Costs payable by customer or customer's responsibility include:
      i) Cost of enclosures for metering equipment
      ii) Where applicable, excess metering costs over and above the cost of single-point secondary-voltage Metering (one meter and three CTs), except where otherwise specifically provided for.
      iii) All construction costs on the load side of the meter.
      iv) All other construction costs, subject to standard ENMAX investment policies.
      v) All operating and maintenance costs for the electrical system on the load side of the meter, and for main Service Location disconnects, fuses or breakers, and including costs of periodic inspection and preventive maintenance of the electrical system on the private property where otherwise specifically provided for.

Local Access Fee (LAF)

A Fee set by the City of Calgary applicable to all services located within the City of Calgary.

Distribution Access Tariff
Large Commercial - Primary

Rate Code D410

Rate Schedule for the provision of Distribution Access Service to customers of a Retailer.

Eligibility

For primary customers that registered a monthly peak demand of 500 kVA twice in the previous 12 months.

Electricity services within the network area in excess of 3,000 kVA shall be primary service at 3 phase 4 wire 25 kV voltage. Primary service may also be available to a new customer of 500 kVA and greater outside the network area.

Rate

System Access Charge

a) Facilities Charge:	$0.0427 per day per kVA of Contract Demand
b) System Usage Charge:	
On-Peak	0.43061 cents per kWh
Off Peak	0.17447 cents per kWh

Distribution Access Charge

a) Service Charge:	$3.2877 per day
b) Facilities Charge:	$0.0371 per day per kVA of Contract Demand
c) System Usage Charge:	
On-Peak	0.70300 cents per kWh
Off-Peak	0.45500 cents per kWh

Where:
1) On-Peak Energy is all energy consumption from 8 a.m. to 9 p.m. Monday to Friday inclusive, excluding statutory holidays. Off-Peak Energy is all energy consumption not consumed in On-Peak hours.
2) Contract Demand is the greater of: (a) highest kVA demand in the last 12 months or (b) kVA of capacity contracted for by the customer.

Billing Period Monthly

Terms and Conditions

The Retail Access Service and Consumer Access Service Terms and Conditions of ENMAX Power Corporation form part of this rate schedule and apply to all service supplied under this tariff.

Other

1. The minimum contract period is one year at the prevailing rates, which are subject to change during the contract period.
2. The customer is responsible for supplying all transformers whether owned outright or rented.
3. ENMAX will supply the metering components for which the customer must provide accommodation in accordance with Safety Codes Act of Alberta (SCAA), Electrical Protection Act (EPA), Canadian Standard Association (CSA) and ENMAX standards.
4. The customer may make arrangements with ENMAX for the maintenance and repairs of transformers.
5. "Primary Metering" shall be metering at ENMAX's primary distribution voltage with any subsequent transformation being the sole responsibility of the customer.
6. This rate is not applicable where the customer is using electrical generating equipment for other than emergency use.
7. Customer-owned transformers with primary-voltage metering on a single meter
    a. It is recommended that the customer carry in stock on the premises, spare transformers and fuses and other material that may be required for emergency repairs to the electrical system.
    b. It is recommended that the customer have qualified electricians available at all times of the day or night for operation and maintenance. ENMAX will respond to emergency conditions with all costs incurred being rechargeable to the customer.

Local Access Fee (LAF)

A Fee set by the City of Calgary applicable to all services located within the City of Calgary.

Distribution Access Tariff
Large Commercial - Secondary

Rate Code D310

Rate Schedule for the provision of Distribution Access Service to customers of a Retailer.

Eligibility

For customers that registered a monthly peak demand of 500 kVA twice in the previous 12 months.

Electricity services within the network area in excess of 3,000 kVA shall be primary service at 3 phase 4 wire 25 kV voltage. Primary service may also be available to a new customer of 500 kVA and greater outside the network area.

Rate

System Access Charge

a) Facilities Charge:	$0.0427 per day per kVA of Contract Demand
b) System Usage Charge:	
On Peak	0.43061 cents per kWh
Off Peak	0.17447 cents per kWh

Distribution Access Charge

a) Service Charge:	$1.9726 per day
b) Facilities Charge:	$0.0471 per day per kVA of Contract Demand
c) System Usage Charge:	
On-Peak	0.70300 cents per kWh
Off-Peak	0.45500 cents per kWh

Where:
1) On-Peak is all energy consumption from 8 a.m. to 9 p.m. Monday to Friday inclusive, excluding statutory holidays. Off-Peak is all energy consumption not consumed in On-Peak hours.
2) Contract Demand is the greater of: (a) highest kVA demand in the last 12 months or (b) kVA of capacity contracted for by the customer.

Billing Period

Monthly

Terms and Conditions

The Retail Access Service and Consumer Access Service Terms and Conditions of ENMAX Power Corporation form part of this rate schedule and apply to all service supplied under this tariff.

Other

1. The minimum contract period is one year at the prevailing rates, which are subject to change during the contract period.
2. This rate is not applicable where the customer is using electrical generating equipment for other than emergency use.

Local Access Fee (LAF)

A Fee set by the City of Calgary applicable to all services located within the City of Calgary.

Distribution Access Tariff
Streetlights

Rate Code D500

Rate Schedule for the provision of Distribution Access Service to customers of a Retailer.

Rate

System Access Charge

System Usage Charge	0.64783 cents per kWh

Distribution Access Charge

System Usage Charge	1.52727 cents per kWh

Billing Period

Monthly

Terms and Conditions

The Retail Access Service and Consumer Access Service Terms and Conditions of ENMAX Power Corporation form part of this rate schedule and apply to all service supplied under this tariff.

Local Access Fee (LAF)

A Fee set by the City of Calgary applicable to all services located within the City of Calgary.

Distribution Access Tariff
Distributed Generation

Rate Code D600

Eligibility

For services with on-site generation less than 1,000 kVA connected in parallel with the ENMAX Power distribution system. Services with on-site generation greater than 1,000 kVA will be reviewed on an individual basis.

Rate

Services with on-site generation will be charged on an adjusted Distribution Access Tariff Rate Schedule.

The Distribution Access Tariff Rate Schedule that will apply will be determined either on: 1) the maximum capacity chosen by Medium and Large Commercial customers or 2) estimated monthly inflow and outflow of energy for Small Commercial customers depending on the eligibility requirements of the Rate Schedule.

The following adjustments will be applied to the eligible Rate Schedule:

1. Contract Demand

The Contract Demand will be adjusted to equal a Nominated Capacity where Nominated Capacity is defined as the capacity chosen by the customer and shall be the maximum capacity the customer requires at the point of interconnection in any 15 minute period. The Nominated Capacity may be changed by the customer with one years written notice.

Any kVA of demand that occurs in excess of Nominated Capacity will be charged double the Facilities Charge in the month it occurs and the Contract Demand will be adjusted up by the amount of the excess demand for the current billing period and subsequent 11 months.

2. System Usage Charge

The System Usage Charges for both the System Access Charge and Distribution Access Charge will be determined using the sum of the energy inflow and energy outflow at the point of interconnection.

3. Meter Fee

For services where on-site generated electricity is dispatched to the ENMAX distribution system, the service will require a bi-directional meter with the incremental cost of the meter charged to the customer.

Billing Period

Monthly

Terms and Conditions

The Retail Access Service and Consumer Access Service Terms and Conditions of ENMAX Power Corporation form part of this rate schedule and apply to all service supplied under this tariff.

Local Access Fee (LAF)

A Fee set by the City of Calgary applicable to all services located within the City of Calgary.

Distribution Tariff
Transmission Connected Sites

Rate Code D700

Rate Schedule for the provision of Distribution Access Service to customers of a Retailer that are connected directly to ENMAX facilities at a transmission voltage.

Rate

Distribution Access Service

Service Charge: $15.00 per day

System Access Service

Independent System Operator costs to be flowed through.

Billing Period

Monthly

Terms and Conditions

The Terms and Conditions of ENMAX Power Corporation form part of this rate schedule and apply to all service supplied under this tariff.

Local Access Fee (LAF)

A Fee set by agreement with the City of Calgary applicable to all services located within the City of Calgary.

Distribution Access Tariff
2000 Deficiency Rider

This is a rider to recover the revenue shortfall that occurred as a result of unanticipated high power pool costs in 2000. The rider is effective during the period January 1, 2002 to December 31, 2004 subject to adjustments approved by Calgary City Council.

Eligibility

Rider will apply to all energy delivered under the Distribution Access Tariff except energy for customers that took service under the Direct Access Tariff in 2000.

Rider

Deficiency Rider	$0.006573 per kWh

Local Access Fee (LAF)

A Fee set by the City of Calgary applicable to all services located within the City of Calgary.

SCHEDULE B – EPC DT TERMS AND CONDITIONS

"Schedule B - Terms
and Conditions.doc"

(Consists of 85 pages)

APPENDIX 1 - ENMAX POWER CORPORATION DISTRIBUTION TARIFF TERMS AND CONDITIONS

EPC DT T&Cs
Appendix 1.doc

(Consists of 7 pages)

APPENDIX 2 - ENMAX POWER CORPORATION DISTRIBUTION TARIFF TERMS AND CONDITIONS

EPC DT T&Cs
Appendix 2.doc

(Consists of 21 pages)

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Appendix 1: Retail Access Services Agreement

Appendix 2: Interconnection Agreement.

PART A: GENERAL

1.0 DEFINITIONS

The following words and phrases, whenever used in these Terms and Conditions, a Rate Schedule, a Fee Schedule, a Retail Access Services Agreement or an Interconnection Agreement, shall have the respective meanings set out below:

(a) **"Billing Demand"** means the greater of:

  (i) highest kVA demand in the last 12 months; or

  (ii) kVA of capacity contracted for by the Customer;

(b) **"Billing Period"** means a period of time starting on the first day of a monthly cycle at 00:00 hours and ending on the last day of the same monthly cycle at 24:00, during which a Customer is supplied with Distribution Access Service by EPC;

(c) **"Board"** means the Alberta Energy and Utilities Board;

(d) **"Business Day"** means any day other than a Saturday, Sunday or a Statutory holiday in the Province of Alberta;

(e) **"Connected Load"** means in relation to a Site, the sum of the capacities or ratings of the Energy consuming apparatus connected to EPC's Electric Distribution System at the Site;

(f) **"Consumer Services"** means services provided by EPC to Customers, which will allow for the supply of or distribution of Energy to the Customer's facilities in accordance with Section 18.0 of these Terms and Conditions;

(g) **"Customer"** means a Person purchasing electricity for the Person's own use;

(h) **"De-energize"** means the de-energization of metering or electrical equipment to the Electric Distribution System that prevents Energy from flowing to the Site;

(i) **"Default Supplier"** means a Retailer appointed as a default supplier by an owner under section 3(1) of the Roles, Relationships and Responsibilities Regulation made under the *EUA*;

(j) "**Demand**" means the rate at which Electric Energy is delivered to or by a system (expressed in kilowatts or kilovolt amperes) at a given instant or average over any designated period of time;

(k) **"Developer"** means a Person developing the land on which the electrical facilities are being installed;

(l) **"Distributed Generation"** means a generating unit that is interconnected with an Electric Distribution System;

(m) **"Distributed Generator"** means a Person who delivers Energy to EPC's Facilities in accordance with Section 21.0 of these Terms and Conditions;

(n) **"Distributed Generation Interconnection Services"** means services provided by EPC which will allow for the Distributed Generator's delivery of Energy to EPC's Facilities in accordance with Section 21.0 of these Terms and Conditions;

(o) **"Distribution Access Service"** means the service required to transport electricity by means of an Electric Distribution System

(i) to Customers; or

(ii) from a Distributed Generator to the Interconnected Electric System,

and includes any services the owner of the Electric Distribution System is required to provide by the Board or is required to provide under the *EUA* or the regulations, but does not include the provision of electricity services to eligible Customers under a regulated rate tariff;

(p) **"EIP"** means EPC's Enrollment and Information Provision system;

(q) **"Electric Distribution System"** means the plant, works, equipment, systems and services necessary to distribute electricity in a service area, but does not include a generating unit or a transmission facility;

(r) **"Electric Utility"** means an isolated generating unit, a transmission facility or an Electric Distribution System that is used

(i) directly or indirectly for the public; or

(ii) to supply electricity to members of an association whose principal object is to supply electricity to its members;

the owner of which

(iii) is required by the *EUA* or the regulations to apply to the Board for approval of a tariff, or

(iv) is permitted by the *EUA* or regulations to apply to the Board for approval of a tariff, and has applied for that approval, or

(v) passes a bylaw that has been approved by the Lieutenant Governor in Council under section 138 of the *EUA*,

but does not include an arrangement of conductors intended to distribute electricity solely on property of which a Person is the owner or a tenant, for use solely by that Person and solely on that property or a facility exempted by Board rules made under section 117 of the *EUA*;

(s) **"Electricity Services"** means the services associated with providing electricity to a Person, including the following:

(i) the exchange of electric energy;

(ii) making financial arrangements to manage financial risk associated with the pool price;

(iii) distribution access service;

(iv) system access service;

(v) ancillary services;

(vi) billing;

(vii) metering;

(viii) performing load settlement;

(ix) any other services specified in the regulations made by the Minister under section 115 of the *EUA*;

(t) **"Emergency"** means:

(i) an abnormal system condition requiring manual or automatic action to maintain system frequency, or to prevent loss of firm load, equipment damage, or tripping of system elements that could adversely affect the reliability of the Electric Distribution System or the safety of Persons or property;

(ii) a fuel shortage requiring departure from normal operating procedures in order to minimize the use of such scarce fuel;

(iii) a condition that requires implementation of Emergency Operations System as defined in the ISO's Operating Policy and Procedures; or

(iv) any other condition or situation that EPC or the ISO deems imminently likely to endanger life or property or to affect or impair EPC's Electric Distribution System or the electrical systems of others to which EPC's Electric Distribution System is directly or indirectly connected. Such a condition or situation may include but is not limited to potential overloading on EPC's Electric Distribution System, Facilities, transmission and/or distribution circuits, System Controller minimum generation ("light load") conditions, or unusual operating conditions on either EPC's Electric Distribution System, Facilities, transmission or distribution circuits or on those of an indirectly connected electrical system, or conditions such that EPC is unable to deliver Energy for a Retailer without jeopardizing EPC's Distribution System, Facilities, transmission or distribution circuits or those of an indirectly connected electrical system;

(u) **"Energize"** means the connection of metering or electrical equipment to the Electric Distribution System that permits Energy to flow to the Site;

(v) "**Energy**" means the capability of electricity to do work, measured in kilowatt hours;

(w) "**ENMAX**" means ENMAX Corporation;

(x) **"EPC"** means ENMAX Power Corporation and includes a Person, if any, authorized to act on its behalf under the *EUA;*

(y) **"Exchange"** means to provide electric energy to or receive electric energy from the interconnected electric system;

(z) "*EUA*" means the *Electric Utilities Act*, S.A. 2003, c. E-5.1, including the regulations enacted thereunder, as re-enacted, amended, supplemented or replaced from time to time;

(aa) "**Facilities**" means EPC's physical facilities including, without limitation, transmission and distribution lines, wires, transformers, meters, meter reading devices and other electrical apparatus;

(bb) **"Fee Schedule"** means the schedule forming part of the Distribution Tariff that sets out the charges for the provision of Consumer Services, Distributed Generation Interconnection Services, Transmission Connected Services or Retail Access Services, as the case may be, as amended from time to time;

(cc) **"Force Majeure"** means acts of God, strikes, walkouts, lockouts or other industrial disturbances, acts of a public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, high water, washouts, inclement weather, laws, orders, restraints or acts of courts or other public, civil or military authorities, civil disturbances, explosions, breakdown or accident or necessity of repairs to equipment or lines of the electric transmission and distribution systems, loss, diminution or impairment of electrical service from generating plants, suppliers or the systems of others with which the Electric Distribution System is interconnected, failure of any supplier, Retailer, Distributed Generator or Transmission Connected Customer to perform, failure, curtailment, interruption or reduction of the transmission or distribution systems' capacity, and any other event or circumstance, whether of the kind herein enumerated or otherwise, not reasonably within the control of EPC, provided that in no event shall the lack of finances or inability to perform due to financial condition constitute Force Majeure;

(dd) **"Independent System Operator"** or **"ISO"** means the corporation established by section 7 of the *EUA*;

(ee) **"Interconnected Electric System"** or **"IES"** means all transmission facilities and all electric distribution systems in Alberta that are interconnected, but does not include an electric distribution system or a transmission facility within the service area of the City of Medicine Hat or a subsidiary of the City, unless the City passes a bylaw that is approved by the Lieutenant Governor in Council under section 138 of the *EUA*;

(ff) **"Interconnection Agreement"** means the agreement between EPC and a Distributed Generator, which sets forth the terms upon which EPC provides Distributed Generation Interconnection Services to the Distributed Generator and whereby the Distributed Generator agrees to these Terms and Conditions and the associated Rate Schedule and Fee Schedule;

(gg) **"Islanded Operation"** a condition in which a portion of EPC's Facilities which is electrically separated from the rest of EPC's Facilities is Energized by one or more distributed generators;

(hh) **"kVA"** means kilovoltampere or kilovoltamperes;

(ii) **"kW"** means kilowatt or kilowatts;

(jj) **"kWh"** means kilowatt hour or kilowatt hours;

(kk) **"Load"** means the Demand and Energy delivered or required to be delivered to a Site;

(ll) **"Load Settlement"** means the functions set out in the Settlement System Code;

(mm) **"LSA"** means Load Settlement Agent, which is the entity conducting load settlement calculations for a particular load settlement zone;

(nn) **"Meter Data Manager" or "MDM"** is the entity responsible for collecting metering data, correcting and validating interval metering data, storing historic data, and reporting load and consumption data and corresponding time periods;

(oo) **"Meter"** is the apparatus, which measures active energy or reactive energy or both, including any internal recorder, or clock, which is normally tested as part of the apparatus;

(pp) **"Minimum Contract Demand"** means the Demand for a Site established in a contract between EPC and the Customer;

(qq) **"Month"** means a calendar month;

(rr) **"Parties"** means EPC, the Customer, Retailer, Distributed Generator, Transmission Connected Customer or any other Person taking services, including Consumer Services, Retail Access Services, Distributed Generation Interconnection Services, Transmission Connected Services, under EPC's Distribution Tariff and these Terms and Conditions and **"Party"** means any one of them.

(ss) **"Person"** means an individual, firm, partnership, association, joint venture, corporation, trustee, executor, administrator or legal representative;

(tt) **"Point of Delivery"** is the measured interconnection point between the transmission system and the distribution system;

(uu) **"Point of Common Coupling" or "PCC"** means the point at which EPC's Facilities are connected to the Distributed Generator's facilities or conductors, and where any transfer of electric energy between the Distributed Generator Owner and EPC takes place;

(vv) **"Post Final Adjustment Mechanism" or "PFAM"** means the process that market participants must follow when final settlement data is being disputed and the market participants are requesting financial adjustments be made as a result of the dispute;

(ww) **"Power Pool"** means the scheme operated by the Independent System Operator for

(i) exchange of electric energy, and

(ii) financial settlement for the exchange of electric energy;

(xx) "**Rate Schedule**" means a schedule forming part of the Distribution Tariff that sets out the charges to Retailers, Distributed Generators or Transmission Connected Customers for the provision of Distributed Generation Interconnection Services, Transmission Connected Customer Services or Retail Access Services, as amended from time to time;

(yy) "**Re-energize**" means the reconnection of metering or electrical equipment to the Electric Distribution System, which allows Energy to flow to a Site.

(zz) "**Regulated Rate Provider**" means the owner of an Electric Distribution System, or a Person authorized by the owner that provides Electricity Services to eligible customers in the owner's service area under a Regulated Rate Tariff;

(aaa) **"Regulated Rate Tariff" or "RRT**" means a tariff which provides for a transition rate or a flow-through rate and applies to any Customer whose expected annual consumption of electric energy at a site is less than 250 megawatt hours of electric energy, residential rate classification Customers, farm rate classification Customers or irrigation rate classification, as set out in the *Regulated Default Supply Regulation;*

(bbb) **"Retail Access Services"** means the services provided by EPC to Retailers pursuant to these Terms and Conditions and includes without limitation Distribution Access Service and also includes MDM, load settlement, and meter services and other related services as offered by EPC from time to time;

(ccc) **"Retail Access Services Agreement"** means the agreement between EPC and a Retailer, which sets forth the terms upon which EPC provides Retail Access Services to the Retailer and whereby the Retailer agrees to these Terms and Conditions and the associated Rate Schedule and Fee Schedule;

(ddd) **"Retail Electricity Services"** means electricity services provided directly to a Customer but does not include electricity services provided to eligible customers under an RRT;

(eee) "**Retailer**" means a Person who sells or provides Electricity Services, including a Regulated Rate Provider and Default Supplier;

(fff) "**Retailer of Record**" means the single entity, either the Retailer or the regulator rate provider that the load settlement system recognizes as providing service to a given site for a given day;

(ggg) **"Revenue Meter"** means an electric meter, which includes any apparatus used for the purpose of making measurement of, or obtaining the basis of a charge for, electricity supplied to a purchaser;

(hhh) **"Service Connection"** means the physical connections of EPC Facilities to the facilities of the Customer and includes end use connections, network connections and direct transmission connections;

(iii) **"Settlement System Code"** or **"SSC"** means the Settlement System Code as established under the authority of the *EUA* and as amended from time to time;

(jjj) **"Settlement Zone"** means the collection of sites that are jointly settled by a load settlement system and over which UFE is calculated and allocated;

(kkk) "**Site**" means a unique end use service delivery point. This is the finest level at which settlement recognizes retailer assignments and receives consumption data;

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(lll) **"System Access Service"** means the service obtained by market participants through a connection to the transmission system, and includes access to exchange electric energy and ancillary services;

(mmm) **"Tariff"** means a document that sets out:

- (i) rates;
- (ii) terms and conditions; and
- (iii) fees;

(nnn) **"Terms and Conditions"** means these Terms and Conditions for services, including Retail Access Services, Consumer Services, Transmission Connected Services and Distributed Generation Interconnection Services, as amended from time to time;

(ooo) **"Transmission Connected Customer"** means for the purpose of exemption from distribution charges as defined in the Rate Schedule:

- (i) a Customer whose Service Connection is at a transmission voltage (69 kV and above); or
- (ii) a Customer whose plant site is contiguous with a transmission facility and takes service directly from the transmission facility, or through a transformer which is directly connected to the transmission facility;

(ppp) **"Transmission Connected Services"** means the services provided by EPC to Transmission Connected Customers pursuant to these Terms and Conditions and includes, without limitation, meter services, meter data management and other related services as offered by EPC from time to time;

(qqq) **"Unaccounted for Energy" or "UFE"** means the difference between (a) the Electric System Distribution total Load for the hour and (b) the sum of the allocated hourly Loads at the Customer Meters, plus their allocated losses;

2.0 INTERPRETATION

2.1 Conflicts

If there is any conflict between a provision expressly set out in a Retail Access Services Agreement, the Interconnection Agreement, Rate Schedule or a Fee Schedule and these Terms and Conditions, the provisions of these Terms and Conditions shall govern.

2.2 Headings

The division of these Terms and Conditions into sections, subsections and other subdivisions and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of these Terms and Conditions.

3.0 GENERAL PROVISIONS

3.1 Tariff

EPC provides various services, including Retail Access Services, Consumer Services, Distributed Generation Interconnection Services and Transmission Connected Services under a Tariff (the "Distribution Tariff"), which includes these Terms and Conditions, a *pro forma* Retail Services Agreement, a *pro forma* Interconnection Agreement, the associated Rate Schedules, and a Fee Schedule. The Distribution Tariff is available for public inspection during normal business hours at the business offices of EPC, has been approved by the Board and is also posted on EPC's website at enmaxpower.com.

3.2 Effectiveness of Terms and Conditions

These Terms and Conditions form part of EPC's Distribution Tariff and have been approved by the Board. These Terms and Conditions come into force on January 1, 2004 unless otherwise indicated, and will be in force until another Distribution Tariff application is approved.

3.3 Amendment of Terms and Conditions

EPC can only amend these Terms and Conditions by obtaining the approval of the Board on application. When an amendment is approved, revisions will be made to the Distribution Tariff, with the effective date of the amendments indicated in the revised section(s).

3.4 Acceptance of Terms and Conditions

The taking of services, including Consumer Services, Retail Access Services, Transmission Connected Services or Distributed Generation Interconnection Services by the Customer, Retailer, Transmission Connected Customer or Distributed Generator under these Terms and Conditions constitutes acceptance by the Customer, Retailer, Transmission Connected Customer or Distributed Generator of these Terms and Conditions and assumption of all obligations set forth herein with respect to that service.

3.5 Modification of Terms and Conditions

No agent or employee of EPC is authorized to modify or change these Terms and Conditions, the Rate Schedules or the Fee Schedule, or to bind EPC to perform in any manner inconsistent with these Terms and Conditions, the Rate Schedules or the Fee Schedule.

3.6 Collection of Taxes

EPC shall collect all franchise fees and sales, excise, or other taxes imposed by governmental authorities with respect to any services, including Consumer Services, Retail Access Services, Transmission Connected Services and Distributed Generation Interconnection Services. The Retailer shall be responsible for identifying and requesting any exemption from the collection of any tax by filing appropriate documentation with EPC.

3.7 Payment of Invoice

All fees, rates and charges required to be paid under these Terms and Conditions shall be paid upon receipt of an invoice for the fees, rates and charges. The invoice may be issued to the Customer by a Retailer on behalf of EPC or directly by EPC. Transactional charges include charges on a fee for services basis that are not recoverable under the standard provisions of the Distribution Tariff. Customers shall be invoiced for services according to the fees set out in the Fee Schedule and invoiced in accordance with this Section 3.7 of these Terms and Conditions.

Invoices shall be deemed rendered, and other notices duly given when delivered to a Party personally, when mailed to or left at the premises where service is provided or the last known address of the Party or when delivered to the premises set out in Section 3.14 of these Terms and Conditions. Failure to receive such an invoice from

EPC will not entitle the Party to any delay in the settlement of each account nor to any extension of the date after which a late payment charge becomes applicable. In the case of a dispute between EPC and a Party, the Party shall be expected to make payment or settlement as originally arranged and agreed to, pending the resolution of the dispute.

Payment shall be made either by way of cheque or electronic funds transfer to the bank account specified by EPC.

Any invoice rendered for which valid payment has not been received by the due date shall be considered past due. On the first day following the payment due date, late payment charges as set out in the Fee Schedule will be applicable to all overdue billed amounts, including arrears and previously unpaid late payment charges. Failure to make payments on time will also be subject to normal credit action, which may include, but is not limited to:

- reminder letters;
- notification by telephone;
- use of collection agencies;
- requiring prepayment before additional service;
- withholding of additional service; and
- legal action.

3.8 Underpayments

Underpayments of any amount are treated as normal receivables outstanding and interest will apply on all past due amounts.

3.9 Returned Cheque Fee

EPC may assess a returned cheque fee, as outlined in the Fee Schedule to any Party whose cheque for payment to EPC is dishonored by any bank when presented for payment by EPC. Receipt by EPC of a cheque or payment instrument that is subsequently dishonored shall not be considered valid payment.

3.10 Credit and Prepayment

Prior to EPC entering into any agreement which provides credit to a Party, the Party must satisfy EPC that the Party is capable of meeting its obligations by satisfying either credit or security requirements as follows:

Credit

Those seeking service will be asked to provide information that may reasonably be deemed necessary to establish and monitor the Person's ability to pay.

Security

Services may be obtained by providing and maintaining security in one of the following ways (in EPC's sole discretion):

- obtaining a guarantee of payment from a guarantor who satisfies EPC's credit requirements;
- providing an irrevocable letter of credit from a Canadian chartered bank or equivalent lending institution satisfactory to EPC; or
- providing a cash deposit.

Service on credit may be withheld if the Party's account for previous service provided by EPC is past due.

Those who are not extended credit are required to prepay for services.

Notwithstanding any credit or security arrangements, EPC, at its sole discretion, may require full or partial prepayment as a pre-condition to providing any services, including Consumer Services, Retail Access Services, Transmission Connected Services or Distributed Generation Interconnection Services. EPC, at its sole discretion, may also waive a security requirement.

3.11 Customer Facilities

For Customer owned equipment and facilities, the Customer shall be responsible for the installation and condition of all equipment and facilities on the Site, or on premises controlled or occupied by the Customer. EPC will retain ownership of its equipment and Facilities whether affixed to a Customer's facilities or not.

3.12 Service Calls

EPC will require a Customer to pay the appropriate fee as per the Fee Schedule of a Customer-requested service call if the source of the problem is the Customer's facilities.

3.13 Law

These Terms and Conditions, the Retail Access Services Agreement and the Interconnection Agreement shall be governed by the laws of the Province of Alberta and the federal laws of Canada applicable in the Province of Alberta, without regard to principles of conflicts of laws. Any lawsuit arising in connection with these Terms and Conditions, the Retail Access Services Agreement or the Interconnection Agreement shall be brought in the courts of the Province of Alberta.

3.14 Notices

Unless otherwise stated herein, all notices, demands or requests required or permitted under these Terms and Conditions, a Retail Access Services Agreement or an Interconnection Agreement shall be in writing and shall be Personally delivered, mailed or delivered by facsimile transmission (with the original transmitted by any of the other aforementioned delivery methods) addressed as follows:

- if to the Customer, the address and the addressee on record with EPC;
- if to the Retailer, the address and the addressee set out in the Retail Access Services Agreement between the Retailer and EPC;
- if to the Distributed Generator, the address and the addressee set out in the Interconnection Agreement between the Distributed Generator and EPC;
- if to the Transmission Connected Customer, the address and the addressee on record with EPC;

- if to EPC:

ENMAX Power Corporation
ENMAX Place
141 – 50th Avenue SE
Calgary, Alberta
T2G 4S7

A Party may change the address or addressee from time to time by giving written notice of such change in accordance with this Section 3.14 of these Terms and Conditions. Any notice, demand or request made, given or delivered hereunder is considered delivered; when sent by facsimile, on the next Business Day following a confirmed facsimile; when mailed, at the end of the fourth (4th) Business Day after mailing; when hand delivered, at the time of delivery where proof of delivery date is provided.

3.15 Default Supplier

EPC has appointed ENMAX Energy Corporation as its Default Supplier under section 3(1) of the Roles, Relationships and Responsibilities Regulation made under the *EUA*. The Default Supplier must provide Retail Electricity Services to a Customer that is not an eligible Customer in the following circumstances:

- The Customer is unable to continue to purchase Retail Electricity Services from the Customer's Retailer for any reason;
- The Customer is unable to obtain Retail Electricity Services for any reason.

4.0 CONNECTIONS

4.1 Interruptions

EPC may discontinue or otherwise curtail, interrupt or reduce Consumer Services, Transmission Connected Services or Distributed Generation Interconnection Services whenever EPC reasonably determines, or when EPC is directed by the ISO, that such a discontinuation, curtailment, interruption or reduction is necessary to facilitate construction, installation, maintenance, repair, replacement or inspection of any of EPC's Facilities; to maintain the safety and reliability of EPC's Electric Distribution System; or due to any other reason, including Emergencies, forced outages, potential overloading of EPC's Electric Distribution System or Force Majeure.

4.2 ISO System Control Requirements

The Customer, Retailer, Transmission Connected Customer and Distributed Generator acknowledge and agree that EPC is bound by all ISO operating instructions, policies and procedures as are set forth in the ISO Rules and ISO Code of Conduct, as may be revised from time to time, which are needed to maintain the integrity of the Alberta Interconnected Electric System. The Customer, Retailer, Retailer, Transmission Connected Customer and Distributed Generator acknowledge and agree that they will cooperate with EPC so that EPC will be in compliance with all ISO Operations Procedures, which include, but are not limited to, those procedures pertaining to minimum and maximum generation, emergencies, and measures requiring involuntary Customer, Retailer, Retailer, Transmission Connected Customer and Distributed Generator participation, such as supply voltage reduction or full interruption of Customer Load by either manual or automatic means.

4.3 Compliance With Governmental Directives

The Customer, Retailer, Retailer, Transmission Connected Customer and Distributed Generator acknowledge and agree that EPC may need to act in response to governmental or civil authority directives or regulatory orders, which may affect a Person's operations. The Customer, Retailer, Retailer, Transmission Connected Customer and Distributed Generator agree to cooperate with EPC in order to enable EPC to comply with all such directives or orders.

5.0 LIABILITY AND INDEMNIFICATION

5.1 Definitions

In this Section:

- "direct loss or damage" means direct physical damage, injury or loss, but does not include loss of profits, loss of revenue, loss of production, loss of earnings, loss of contract or any other indirect, special or consequential loss or damage whatsoever;
- "ENMAX Power Corporation" or "EPC" includes:
    - ENMAX Power Corporation, its affiliates, contractors, agents, authorized representatives and assigns, and the, directors officers and employees

(while those employees are acting within the course and scope of their employment) of each of them; and

  - for the purposes of this definition, "affiliate" has the meaning given to it in the Business Corporations Act (Alberta); and

- "customer information" has the meaning given to it in the Code of Conduct Regulation made under the Electric Utilities Act, S.A. 2003, c. E-5.1.

5.2 Limitation of Liability

EPC does not guarantee or promise uninterrupted service. Except for direct loss or damage caused by the negligence of EPC, EPC shall not be liable to any Customer, Retailer, Distributed Generator, Transmission Connected Customer or other Person in law, equity, tort or contract for any loss, damage, injury or claim of any nature whatsoever, arising out of or in any way connected with the provision by EPC of Electricity Services, Consumer Services, Retail Access Services, Retailer, Transmission Connected Services or Distributed Generation Interconnection Services, or any failure, estimated data errors, defect, fluctuation, reduction, De-energization, suspension, curtailment or interruption in the provision of Electricity Services, Customer Services, Retail Access Services, Retailer, Transmission Connected Services or Distributed Generation Interconnection Services.

5.3 Consequential Damages

EPC shall not be liable for special, indirect or consequential damages resulting from or arising out of performance under these Terms and Conditions, including, without limiting the generality of the foregoing, loss of profits, loss of revenue, loss of production, loss of earnings, loss of contract, or any other indirect, special or consequential loss or damage whatsoever.

5.4 EPC Not Liable for Retailer

EPC provides Electricity Services under these Terms and Conditions. EPC also provides Retail Access Service to Retailers under these Terms and Conditions, and provides Consumer Services, Transmission Connected Services and Distributed Generation Interconnection Services to Customers under these Terms and Conditions. Retailers and Customers may enter into an arrangement or agreement for the provision of services beyond those that EPC provides under these Terms and Conditions. EPC shall not be liable to a Customer or Retailer or other Person in law, equity, tort or contract for any loss, damage, injury or claim of any nature whatsoever, arising out of or in any way connected with:

- EPC's conduct in compliance with, or as permitted or required by:
    - EPC's Terms and Conditions;
    - a Retail Access Services Agreement between EPC and a Retailer;
    - any legal or regulatory requirements related to Retail Access Services, Consumer Services, Transmission Connected Services or Distributed Generation Interconnection Services;
    - any failure of a Retailer to comply with EPC's Terms and Conditions or a Retail Access Services Agreement;
- the presence, installation, use or equipment installed by or on behalf of a Retailer;
- any action taken by or on behalf of a Retailer;
- any failure of a Retailer to perform any commitment to a Customer or any action including, but not limited to, the failure of a Retailer to provide services to a Customer in accordance with any arrangement or agreement made between a Customer and a Retailer;
- any acts, omissions or representations made or done by a Retailer in connection with soliciting Customers for Retail Access Services; or
- the disclosure of customer information by a Retailer.

5.5 Indemnity

Customers, Retailers, Distributed Generators and Transmission Connected Customers shall indemnify and hold harmless, and at the option of EPC, defend EPC from and against all claims, actions, costs, fees (including legal fees and disbursements on an indemnity basis), judgments, fines, penalties and any liability in law, equity, tort or contract for any loss, damage, injury or claim of any nature whatsoever, brought against EPC which arise from, result from, or are in any way connected with any act, omission or failure of the Customer, Retailer, Distributed Generator, Transmission Connected

Customer or any other Person arising from, resulting from or in any way connected with these Terms and Conditions, including the failure of a Retailer to obtain from a Customer any authorization or consent required or referred to in these Terms and Conditions, EPC's Distribution Tariff, a Retail Access Services Agreement, a Distributed Generation Interconnection Agreement, or under any other arrangement or agreement with EPC, or between the Customer and a Retailer or between the Customer, Retailer Distributed Generator or Transmission Connected Customer and any third party.

Without limiting the generality of the preceding paragraph, the Customer, Retailer, Distributed Generator or Transmission Connected Customer shall also indemnify and hold harmless, and at the option of EPC, defend EPC from and against all claims, actions, costs, fees (including legal fees and disbursements on an indemnity basis), judgments, fines, penalties and any liability in law, equity, tort or contract for any loss, damage, injury or claim of any nature whatsoever, brought against EPC by any Person, which arise from, result from, or are in any way connected with:

- Islanded Operation of the Customer's, Retailer's, Distributed Generator's or Transmission Connected Customer's facilities;
- the failure of the Customer's, Retailer's, Distributed Generator's or Transmission Connected Customer's facility to detect and clear an electrical fault that occurs on EPC's facilities;
- the failure of the Customer's, Retailer's, Distributed Generator's or Transmission Connected Customer's facilities to shut down after De-energization from EPC's facilities and before the automatic reclosing of EPC's switching devices;
- the routine presence in or use of Energy over the wires, cables, devices or other facilities owned or controlled by the Customer, Retailer, Distributed Generator or Transmission Connected Customer;
- the failure of the Customer, Retailer, Distributed Generator or Transmission Connected Customer to perform any of their respective duties or obligations as set out in these Terms and Conditions; or
- the Customer's, Retailer's, Distributed Generator's or Transmission Connected Customer's improper use of Energy or electric wires, cables, devices or other facilities.

5.6 Interruption

EPC shall have the right, without any liability to Retailers, Customers, Distributed Generators, Transmission Connected Customers or any other Person in law, equity, contract or tort, to De-energize or otherwise curtail, interrupt or reduce Electricity Services or any other service provided under these Terms and Conditions when:

- EPC reasonably determines that such a De-energization, curtailment, interruption or reduction is necessary:
  - to facilitate the construction, installation, maintenance, repair, replacement or inspection of any of EPC's Facilities;
  - to maintain the safety and reliability of EPC's Electric Distribution System, or a connecting entity's electrical system; or
  - due to any other reason, including Emergencies, forced outages, potential overloading or the Electric Distribution System or Force Majeure.
- EPC is directed to do so by the ISO.

EPC will give Retailers, Customers, Distributed Generators and Transmission Connected Customers as much notice of a De-energization, curtailment or interruption or reduction in Distribution Access Service as is practicable, although it is understood and agreed that there may be circumstances in which no notice may be given prior to any such De-energization, curtailment, interruption or reduction.

EPC is not liable to Retailers, Customers, Distributed Generators, Transmission Connected Customers or any other Person in law, equity, contract or tort for any loss, damage, injury or claim of any nature whatsoever arising from or connected in any way with:

- a De-energization, curtailment or interruption or reduction in Electricity Services or any other service provided under these Terms and Conditions; or
- the amount or lack of notice given by EPC of a De-energization, curtailment or interruption or reduction in Electricity Services or any other service provided under these Terms and Conditions.

5.7 Force Majeure

If an event or circumstance of Force Majeure occurs that affects EPC's ability to provide Electricity Services, Retail Access Services, Consumer Services, Transmission Connected Services, Distributed Generation Interconnection Services, or any other service provided under these Terms and Conditions (the "Services"), so far as they are affected by the Force Majeure or its consequences, the Services shall be suspended until the Force Majeure or its consequences are remedied, and for such period thereafter as may reasonably be required to restore the Services. Where reasonably practical, EPC shall give advance notice to the Customer, Retailer, Distributed Generator or Transmission Connected Customer of such Force Majeure. It is recognized and agreed that it may not be possible for EPC to provide advance notice of such Force Majeure, in which case EPC shall provide the Customer, Retailer, Distributed Generator or Transmission Connected Customer with notice as soon as practicable.

EPC is not liable to Retailers, Customers, Distributed Generators, Transmission Connected Customers or any other Person in law, equity, contract or tort for any loss, damage, injury or claim of any nature whatsoever arising from or connected in any way with the amount or lack of notice given by EPC of an event of Force Majeure.

6.0 DISPUTE RESOLUTION

6.1 Arbitration Procedure

Any dispute arising between the Parties shall be determined by arbitration. With respect to any matters not specifically set out in Section 6.0 of these Terms and Conditions, the provisions of the *Arbitration Act* (Alberta) shall apply.

6.2 Resolution by EPC and Retailer or Distributed Generator

Unless otherwise specified herein, any dispute arising between EPC and a Retailer, Transmission Connected Customer or Distributed Generator in connection with these Terms and Conditions shall be resolved in accordance with Section 6.0 of these Terms and Conditions. EPC and the Retailer, Transmission Connected Customer or Distributed Generator, acting reasonably and in good faith, shall use their best efforts to resolve the dispute as soon as possible in an amicable manner. EPC, a Retailer, a Transmission Connected Customer or a Distributed Generator may provide written notice of its desire to have the dispute resolved. Within ten (10) days of such notice being provided, the Chief Operating Officers or Vice Presidents of EPC and the Retailer, Distributed Generator or Transmission Connected Customer shall meet to attempt to resolve the dispute.

The costs of detailed analysis beyond the initial investigation will be borne by the requestor, unless it is found that EPC is in error.

6.3 Resolution by Arbitration

If a dispute has not been resolved under Section 6.2 of these Terms and Conditions within ten (10) days after notice, from EPC, the Retailer, Distributed Generator or Transmission Connected Customer, of its desire to have the dispute resolved, then the dispute shall be resolved pursuant to the procedure set out in Section 6.4 of these Terms and Conditions.

6.4 Arbitration Procedure

6.4.1 Arbitrators

Whenever any arbitration is permitted or required under these Terms and Conditions to resolve a dispute between the Parties, arbitration proceedings shall be commenced by a Party desiring arbitration (the "Initiating Party") giving notice to the other Party (the "Responding Party") specifying the matter to be arbitrated and requesting an arbitration thereof. The Initiating Party shall within five days thereafter, by written notice to the Responding Party, designate an arbitrator. The Responding Party shall, within five days after receiving notice from the Initiating Party, be entitled to appoint an arbitrator by written notice to the Initiating Party, and the two arbitrators so appointed shall thereupon meet and select a third arbitrator (the "Chairman") acceptable to both. If the Responding Party fails to appoint an arbitrator within the time limit and deliver notice of the appointment to the Initiating Party, then the Initiating Party shall be entitled to appoint an arbitrator on behalf of the Responding Party and is hereby appointed the agent of the Responding Party for that purpose. In the event that the two arbitrators so appointed are unable to agree upon the Chairman within 10 days of the appointment of the arbitrator for the Responding Party, then the Initiating Party shall be entitled to make application to the Court of Queen's Bench of Alberta pursuant to the *Arbitration Act* (Alberta), as amended from time to time, for selection of the Chairman, and the provisions of the *Arbitration Act* (Alberta) shall govern such selection.

6.4.2 Failure to Concur

In the event of the failure, refusal or inability of any arbitrator to act, or continue to act, a new arbitrator shall be appointed in his stead, which appointment shall be made in the same manner as herein before provided.

6.4.3 Decision

The resultant arbitration panel shall thereupon proceed to hear the submissions of the Parties, and shall render a decision within 30 days after the appointment of the Chairman. The decision of the majority of the arbitration panel (or of the Chairman, if there is no majority decision) shall be deemed to be the decision of the arbitration panel and the decision of such majority of the Chairman, as the case may be, shall be final and binding upon the Parties and not subject to appeal. The arbitration panel shall have the authority to assess the costs of the arbitration panel against any Party, provided, however, that the Parties shall bear their own witness and counsel fees. The arbitrators shall have access to all books and records of the Parties relating to the matter in dispute and the Parties will co-operate with the arbitrators and provide all information reasonably requested by them.

6.4.4 Late Decision

If an arbitration decision is not made within the time herein provided, then until it is so made and unless the other Party has taken any of the actions referred to in this paragraph, a Party, upon 30 days notice to the other Party and to the arbitrators, may: (i) cancel the appointment of the arbitrator previously made and initiate new arbitration proceedings by a new notice to the other Party pursuant to Section 6.0 of these Terms and Conditions; or (ii) cancel such arbitration proceedings and proceed in the courts as though Section 6.0 of these Terms and Conditions did not exist.

6.4.5 Technical Competence

Any arbitrator appointed under the provisions of Section 6.0 of these Terms and Conditions, whether by concurrence of the Parties, by either Party, by the arbitrators, or by a Justice of the Court of Queen's Bench of Alberta, shall, in the opinion of the Person or Persons making such appointment, be possessed of such technical or other qualifications as may be reasonably necessary to enable him to properly adjudicate upon the dispute or difference.

6.4.6 Application of the Arbitration Act (Alberta)

Except as herein modified, the provisions of the *Arbitration Act* (Alberta), as amended re-enacted or replaced from time to time, shall apply to any arbitration proceeding.

6.4.7 Decisions Binding

A decision of the single arbitrator or the majority of three arbitrators named or appointed shall be final and binding upon each of the Parties to the dispute or difference. The Parties shall abide by the terms of any award rendered without delay.

6.5 Continuity of Service

All performance required under these Terms and Conditions and payment therefore shall continue during the dispute resolution proceedings contemplated by Section 6.0 of these Terms and Conditions. However, in the case of any such proceedings pertaining to amounts payable under these Terms and Conditions, any payments or reimbursements required as a result of the proceedings shall be effective as of a date to be determined in such proceedings and interest shall be paid thereon by the Party required to make the payment or reimbursement on the amount thereof at the rate to be determined in the arbitration proceeding, from the date so determined, until paid.

7.0 MISCELLANEOUS

7.1 Compliance with Applicable Legal Authorities

EPC and the Customer, Retailer, Distributed Generator and Transmission Connected Customer are subject to, and shall comply with, all existing or future applicable federal, provincial and local laws, all existing or future orders or other actions of the ISO or of governmental authorities having applicable jurisdiction. EPC will not violate directly or indirectly, or become a party to a violation of any requirement of the ISO or any applicable federal, provincial or local statute, regulation, bylaw, rule or order in order to provide services, including Consumer Services, Distributed Generation Interconnection Services, Transmission Connected Services or Retail Access Services. EPC's obligation to provide service under these Terms and Conditions is subject to the condition that all requisite governmental and regulatory approvals for the provision of such service will have been obtained and will be maintained in force during such period of service.

7.2 No Waiver

The failure of any Party to insist on any one or more instances upon strict performance of any provisions of these Terms and Conditions, or a Retail Access Services Agreement, or an Interconnection Agreement, or to take advantage of any of its rights hereunder, shall not be construed as a waiver of any such provisions or the relinquishment of any such right or any other right hereunder, which shall remain in full force and effect. No term or condition of these Terms and Conditions, a Retail Access Services Agreement or an Interconnection Agreement shall be deemed to have been waived and no breach excused unless such waiver or consent to excuse is in writing and signed by the Party claimed to have waived or consented to excuse.

7.3 No Assignment

A Customer, Retailer, Distributed Generator and Transmission Connected Customer may not assign any rights or obligations under these Terms and Conditions without obtaining

- any necessary regulatory approval(s); and
- the prior written consent of EPC, which consent shall not be unreasonably withheld.

EPC may not assign any of its rights or obligations under these Terms and Conditions without obtaining any necessary regulatory approvals. No assignment shall relieve the assigning Party of any of its obligations under these Terms and Condition, the Retail Access Services Agreement or the Interconnection Agreement until such obligations have been assumed by the assignee in writing. Any assignment in violation of Section 7.3 of these Terms and Conditions shall be void.

Notwithstanding the foregoing, EPC may assign any or all of its rights and obligations under these Terms and Conditions, the Retail Access Services Agreement, and the Interconnection Agreement without the Customer's, Retailer's, Distributed Generator's or Transmission Connected Customer's consent, to any entity succeeding to all or substantially all of the assets of EPC, if the assignee agrees, in writing, to be bound by all of the terms and conditions hereof and if any necessary regulatory approvals are obtained.

8.0 DEFAULT

8.1 Event of Default

A Party will be deemed to be in default ("Defaulting Party"), of its obligations under EPC's Distribution Tariff, these Terms and Conditions, the Retail Access Services Agreement or the Interconnection Agreement if:

- it is the subject of a bankruptcy, insolvency or similar proceeding;
- it makes an assignment for the benefit of its creditors;
- it applies for, seeks consent to, or acquiesces in the appointment of a receiver, custodian, trustee, liquidator or similar official to manage all or a substantial portion of its assets;
- violates any code, regulation or statute applicable to the supply of Energy; or
- fails to pay the other Party ("Non-Defaulting Party"), when payment is due, or to satisfy any other obligation or requirement under EPC's Distribution Tariff, these Terms and Conditions, the Retail Access Services Agreement or the Interconnection Agreement, and fails to remedy any such failure or delinquency within 3 Business Days after receipt of written notice thereof from the Non-Defaulting Party.

8.2 Rights Upon Default

In an event of default, the Non-Defaulting Party shall be entitled to pursue any and all available legal and equitable remedies and terminate the Retail Access Services Agreement or Interconnection Agreement without any liability or responsibility whatsoever except for obligations arising prior to the date of termination, by written notice to the Defaulting Party, subject to any applicable regulatory requirements.

EPC may access security posted by a Party without prior notice, if the Party files a petition in bankruptcy (or equivalent, including the filing of an involuntary petition in bankruptcy against the Party), becomes a Defaulting Party pursuant to Section 8.1 of these Terms and Conditions or if for any reason a Party ceases to provide service to its Customers under its terms of service.

If a Party fails to make payment in accordance with these Terms and Conditions, EPC may immediately withhold or suspend the Party's service, terminate service, transfer the Retailer's Customers to the Default Supplier in the case of a Retailer, and apply any security held by EPC before the service coverage period of the security expires. Notwithstanding action provided for or taken pursuant to the preceding sentence, EPC may take credit action against any Party with respect to an account on which payment is not made to EPC. EPC may assess the Party for any or all administrative and collection costs relating to the recovery by EPC of amounts owed, including but not limited to legal fees, disbursements and costs.

If a Party fails to provide or maintain adequate security upon EPC's request, EPC may immediately withhold or suspend services provided to the Party pursuant to these Terms and Conditions.

If a Party or Person who guarantees the financial obligations of the Party, as the case may be, ceases to be in EPC's estimation, creditworthy, EPC will demand alternative security and, if not provided, may immediately suspend the provision of further services to the Party and its Customers, as the case may be, until EPC in its sole discretion determines that the Party is capable of meeting its payment obligations by either satisfying the credit requirements or providing security.

Any withholding or suspension under Section 8.0 of these Terms and Conditions shall not relieve the Party from any obligation to pay any rate, charge or other amount payable which has accrued or is accruing to EPC.

PART B: RETAIL ACCESS SERVICES

9.0 RETAIL ACCESS SERVICES

9.1 Provision of Retail Access Services

EPC will offer Retail Access Services to Retailers who have demonstrated eligibility under EPC's Eligibility Requirements set out in Section 16.0 of these Terms and Conditions. EPC will provide Retail Access Services for the Retailer, upon and subject to the terms and conditions set out in these Terms and Conditions.

9.2 Initiation of Distribution Access Services

To initiate Distribution Access Service in respect of a Customer, the Retailer shall submit an enrollment request for Customer, in accordance with Section 14.0 of these Terms and Conditions. The Retailer shall not request enrollment until all applicable rescission periods have elapsed.

If the information on the enrollment request and other information required by EPC is complete and correct, EPC shall process the request for enrollment in accordance with Section 14.0 of these Terms and Conditions. Once EPC completes the processing of the enrollment request, the Retailer shall become the Retailer of Record for that particular Customer.

9.3 Reasonable Efforts

EPC shall use reasonable efforts to minimize any scheduled curtailment, interruption or reduction of Distribution Access Service to the extent reasonably practicable under the circumstances, to provide the Retailer with prior notification of any such curtailment, interruption or reduction to the extent reasonably practicable, and to resume Distribution Access Service as promptly as reasonably practicable.

9.4 De-Energization

9.4.1 De-Energization of a Site

EPC may De-energize a Site, and thereby discontinue Distribution Access Service in respect of a Customer, in accordance with the provisions set forth in these Terms and Conditions.

9.4.2 Single Retailer for Customer Site

EPC will not be required to recognize and deal with more than one Retailer in respect of a Site at any give time. Nothing in these Terms and Conditions prevents a Customer from entering into arrangements with multiple Retailers for a Site, provided that a single Retailer is designated to be the Customer's Retailer for the purposes of these Terms and Conditions.

9.4.3 De-Energization at Request of Retailer

EPC will De-energize a Site and discontinue Distribution Access Service in respect of a Customer, either temporarily or permanently where the Retailer requests on behalf of the Customer, physical disconnection of the service by submitting a "De-energization request" notice to EPC.

EPC will discontinue Distribution Access Service in response to a request from the Retailer it has appointed as Default Supplier upon receipt of a "De-energization Request" notice.

If a Retailer requests a site to be De-energized temporarily due to vacancy, EPC will dispatch the appropriate resources to execute the De-energization. Should it become apparent that the site is occupied and the occupant is not on-site when EPC arrives to De-energize, EPC reserves the right to not De-energize immediately but leave a warning notice in order to give the occupant(s) the opportunity to make appropriate arrangements for electricity service.

9.4.4 Fees

EPC may charge fees to Retailers for processing the transactions described in Section 9.0 of these Terms and Conditions in accordance with the Fee Schedule.

10.0 ARRANGEMENT FOR SYSTEM ACCESS SERVICES

EPC shall obtain from the ISO, the System Access Services that EPC considers necessary to enable the transportation of Energy that will be sold or provided by the Retailer to its Customers. The Retailer shall be responsible for all charges paid or payable by EPC to the ISO for System Access Service obtained by EPC for Customers of the Retailer.

11.0 REVENUE METERING EQUIPMENT

EPC provides all Revenue Meter services within its service area. EPC is accredited by Measurement Canada to provide these services and will only install Measurement Canada approved metering equipment.

11.1 Provision of Meters

EPC will own, install, seal and approve the meters for all sites on its distribution system in accordance with EPC's Terms and Conditions for Consumer Services. An energy, demand/energy or interval meter will be installed as required. EPC considers both an electronic demand meter and a thermal demand meter as appropriate apparatus for recording Distribution Tariff billing demands.

11.2 Provision of Interval Meters

A Revenue Meter for a Load which peaks over 150 kVA at least twice in a 12-month period will require interval meter services. Once an interval meter has been installed, it will not be removed unless the site is pre-emptively disconnected. For new Customers moving into existing space, EPC will make an estimate of Site Demand, and if the estimate is greater than or equal to 150 kVA, an interval meter will be installed. For an existing Site, where modifications are made to the infrastructure requiring Load to be equal to or in excess of 150 kVA, an interval meter will be installed. In these cases, the costs of the new interval meter, including installation, will be borne by EPC.

11.3 Changes to Metering Equipment

A Retailer or a Customer can request an upgrade to the meter.

Should a Retailer request a new meter or a communication device be attached to the existing meter, the request shall be made in accordance with the provisions set out in these Terms and Conditions and EPC shall provide, install, test, and maintain the requested metering or communication device. The Retailer shall bear the cost incurred by EPC in providing and installing the meter or attaching the communication device in accordance with the Fee Schedule. Upon installation, the meter or communication device shall remain the property of EPC and will be maintained by EPC. EPC shall complete installation of the meter or attachment of the communication device, if reasonably possible, within 30 days of receiving a request from the Retailer. EPC shall bill the Retailer upon installation.

11.4 Meter Service Requests

All standard meter service requests from Retailers including new meter installation, meter upgrades, exchange of meters, installation of meter communication devices, verification of meter accuracy and installation of Load limiting devices, and non-standard meter service requests including the provision and installation of pulse initiators for energy management systems, certification of non-revenue meters for Retailer or Customer use only and installation of non-revenue meter for Retailer or Customer use only, will be processed as set out in these Terms and Conditions.

11.5 Meter Upgrade and Non-standard Meters

Requests by Retailers for the provision of a meter up-grade and non-standard meters, communication equipment and data field recordings will incur an extra service charge in accordance with the Fee Schedule.

12.0 METER DATA MANAGEMENT

12.1 Responsibilities:

- The MDM is the entity responsible to provide "settlement-quality" data to stakeholders as outlined in the SSC.
- The MDM shall be the sole source to manage consumption and interval data for interval and cumulative meters, collecting meter data, validating and estimating interval and cumulative meter data, storing historical data, and reporting data to the LSA and Retailers.
- The MDM shall ensure that the interval and cumulative historical meter data is available to an authorized party at a cost outlined in Fee Schedule.
- Any metering data requests including special reports, graphs and analysis shall be charged as outlined in the Fee Schedule.
- Some non-standard data exchanges are available by EPC as outlined in the Fee Schedule
- Estimation algorithms are recorded and maintained for consumption data, as it is stored.

- Estimation algorithm information is available upon request to an end use Customer or a Person (Customer's Agent or Retailer) who is authorized by the end use Customer.

- EPC will be the sole source of revenue metering information for all market participants in the EPC service area.

- EPC's validation editing and estimation standards will be reviewed and modified from time to time as appropriate.

- EPC will read all meters in its service territory in accordance with the EPC Meter Reading Schedule.

- An accurate record will be kept by EPC of meter readings that will be the basis for the Load Settlement for each metered site.

- Retailers will be responsible for acquiring information about Meter Reading Schedules from EPC.

12.2 Historical Data Request (Interval and Cumulative)

- Any historical data request by any Person requesting the historical meter data shall have the authorization (written consent) by the end use Customer.

- The MDM shall charge for any historical data request (interval and cumulative), including, any special reports and graphs as outlined in the Fee Schedule.

- Any Person requesting the historical metering data from EPC shall complete EPC's "Authorization to Release Electricity Load Data" form in its entirety.

- The Retailer shall be responsible for having all necessary and appropriate contractual or other arrangements with its Customers consistent with applicable statutes and regulations and these Terms and Conditions.

12.3 Data Validation, Estimation and Editing

- The MDM performs validation, estimation and editing as outlined in the SSC to produce the settlement ready data for the LSA and Retailers.

- If requested by the Retailer, EPC will provide the description of the method used to estimate the Energy used by the Retailer's Customer.

12.4 Meter Reading Concerns/Disputes

It is the Retailer's responsibility to assist Customers who are concerned about their consumption levels and provide possible causes for their high consumption.

If a Retailer disputes a read for whatever reason, the Retailer may request an Off-Cycle Read.

EPC will read any meter provided by EPC at the request of the Retailer subject to the charges set out in the Fee Schedule. A request is considered to be completed when a reading is obtained, or when, 3 physical attempts or 2 physical attempts and 1 phone call, have been made.

In the event that the Off-Cycle Read shows that a prior recorded reading is incorrect, then the cost of the Off-Cycle Read will be waived.

13.0 LOAD SETTLEMENT SERVICES

Load Settlement allocates the energy consumption to Retailers based on Customer enrolments in accordance with the settlement System Code.

13.1 Reporting/Posting Information

Settlement algorithms, Load profiles, UFE, losses, loss classes and Settlement Zone consumption data will be made publicly available. Individual Retailers will have access only to their consumption data, being restricted from access to other Retailers' consumption data. Information reported will be consistent with the Settlement System Code.

The Settlement System Code calls for a number of standard content, standard format electronic transactions which EPC implements as described therein.

13.2 Fee for Service

Custom reports and other data may be provided to Retailers on request, on a fee for service basis as per the Fee Schedule which forms part of the Distribution Tariff. These reports and data might be expected to include detailed extracts of data that is used in settlement but not provided in the standard information complement as mandated by the Settlement System Code. The provision of reports and data requested under this Section 13.2 of these Terms and Conditions may be subject to Customer consent.

14.0 ENROLLMENT

Enrollment is the process whereby a Retailer communicates to EPC that it assumes responsibility for Retail Access Service for that Site.

Retailers must use the mandated enrollment process described in the Settlement System Code to communicate enrollment of a site. A site is identified by a unique Site ID number.

EPC provides a capability to look up Site IDs within its service area on its website.

A Site must be enrolled with a Retailer before Energy can flow.

14.1 EPC Responsibilities

EPC is responsible for the construction and maintenance of the distribution system infrastructure and all Revenue Metering equipment installed for the purposes of Electricity Service in Calgary.

As an owner of an Electric Distribution System, EPC's responsibilities are as follows:

- Load Settlement Agent ("LSA");
- Meter Service Provider ("MSP");
- Meter Data Manager ("MDM");
- Issue Invoices to Retailers for Distribution Services and other Transactions;
- Maintain Site information for all Sites that are included in Load Settlement;
- Process, in a standard manner, all enrollment requests that are received, irrespective of the identity of the Retailer submitting the request, and under the assumption that the Retailer has permission to enroll the Site;
- Maintain Customer information as it is supplied by the Retailer; and

- In the event of a Retailer failure or default, pass Site and Customer information for affected Customers to the Default Supplier.

If EPC becomes aware of an unauthorized use of electricity, it will take the appropriate steps to mitigate the situation. EPC will notify the Retailer if it initiates the de-energization of a site for theft, non-standard service entrance, etc.

14.1.1 Retailer/Customer Relations

EPC is neither bound by, nor will it enforce, contracts between Retailers and their Customers. Additionally, EPC will not mediate disputes between Retailers and Customers.

Where the Retailer is required to obtain authorization from the Customer pursuant to these Terms and Conditions, or applicable statutes or regulations such authorization will be in verifiable form. The Retailer will make such authorization available to EPC upon request.

14.2 Retailer Responsibilities

Retailers must:

- Ensure that they have the requisite authorization from their current or prospective Customers before initiating any Customer related transaction;
- Use the unique Site identifier as the primary means of communicating changes to Site status;
- Provide EPC with up-to-date basic Customer information (including emergency contact, account name, addresses and phone numbers) for all Sites that they service; and
- Be responsible for all charges associated with a Site until 7 Calendar Days after a request to drop the Site is received by EPC in accordance with Section 14.6 of these Terms and Conditions, or another Retailer enrolls that Site.
- Act as the main point of contact with Customers
- Request services on behalf of Customers

EPC expects to have limited direct contact with Retailers' Customers. Therefore, Retailers will be the main source of electricity industry information for their Customers. Calls from Customers regarding a power outage or distribution system should be directed immediately to (403) 514-6100 (EPC's 24 hour trouble line).

(* Call 9-1-1 if the Customer is experiencing a life-threatening emergency.)

The Retailer shall be responsible for having all necessary and appropriate contractual or other arrangements with its Customers consistent with applicable statutes and regulations and these Terms and Conditions.

Retailers are financially responsible for all service requests made on behalf of their Customers. EPC will bill Retailers for services on a Monthly basis.

14.2.1 Retailer Due Diligence

It is the Retailer's responsibility to ensure that the Customer enrollment is valid. Retailers are expected to have the required authorization from the Customer for the switch (i.e., the Retailer must confirm that the Customer wishes to be switched, and has explicitly given approval for the switch).

14.2.2 Enrollment Submission and Notification

Retailers must comply with EPC's enrollment submission and notification procedures. When making an enrollment request, Retailers must supply:

- A "Select Retailer" request as specified in the Settlement System Code; and
- An "Update Customer Information" transaction, as specified in the Settlement System Code.

In addition, Retailers must comply with the Enrollment Mechanics as described in the current Settlement System Code.

EPC requires a full complement of Customer information as described in the Settlement System Code as an "Update Customer Information" transaction.

Customer Site specific information will include:

- Retailer name, identification and contact information;
- EPC meter number; and
- Customer Site identification number and contact information.

Retailers must submit enrollment notices (with associated Customer information notices) via a batch file, in accordance with the current Settlement System Code. Initiating Retailers will be provided with confirmation of the results of the processing, including any reasons for failure. Where an enrollment is successful, EPC will inform the old Retailer of Record at that Site, if any, of the loss of service and the date this loss occurred.

Enrollment of a site is irrevocable and the Retailer bears full responsibility for the accuracy of enrollment transactions submitted to EPC. A Retailer that erroneously enrolls a site will bear responsibility for the associated Distribution Tariff costs and any other financial implications associated with the error.

14.3 Provision of Customer Information

Upon Customer enrolment, the Retailer shall be obligated to provide accurate Customer information with regard to the "Update Customer Information" transaction.

Retailers shall submit a "Update Customer Information" transaction to EPC in order to change any Customer enrollment information.

Retailer failure to provide accurate Customer information may result in suspension of retailer eligibility.

14.4 Termination of Retailer Relationship with Customer

To terminate its relationship with a Customer, a Retailer shall submit a "De-Select Retailer " notice to EPC, in accordance with the Settlement System Code, or may alternatively utilize a "Retailer Drops Customer" function on EPC's website.

14.5 Energize Site

EPC records that a Site has been Energized at the successful conclusion of the process of requesting an Energy service connection. Requests for service are processed manually as follows:

- The Retailer will request the service connection, on behalf of the Customer;
- The Retailer must provide the Site identification up-to-date basic Customer information (including emergency contact, account name, addresses and phone numbers), information regarding the location of the premises to be served, the Customer's Connected Load and preferred supply conditions and the manner in which Services will be utilized;
- EPC will ensure that the Site is enrolled with that particular Retailer before commencing service;
- The Retailer must provide an estimate of the average monthly consumption for use in settlement prior to establishing actual consumption figures based on meter readings. EPC will authorize this estimate, and override the number where it considers a revised figure to be more appropriate;
- EPC offers a system to record that the Site has been Energized after the service connection has been made; and
- The Retailer will provide any other information that EPC reasonably requires.

14.6 Site Drop

Dropping a Site breaks the link between a Retailer and a Site, so that the Retailer is no longer responsible for Settlement or wholesale billing charges for that Site. The only other way that the Retailer/ Site link can be broken is by another Retailer enrolling the Site. Retailers must inform Customers of their intent to drop a Site, and of the Customer's rights to apply, to the Default Supplier, at the same time the Retailer request to drop the Site is submitted.

EPC will make the drop request effective 7 Calendar Days after receipt of the request to drop. Any request by another Retailer to enroll the Site received within the 7-day waiting period will "stop the clock" on the drop request, the enrollment request will be processed and the drop request will be terminated. The "old" Retailer will be informed of the date the Site is dropped or lost through enrollment.

In the event that the full drop waiting period expires without a request by another Retailer, EPC will pass the information it has about the Site and the Customer at this

Site (if any) to the Default Supplier, thereby automatically transferring responsibility to the Default Supplier.

14.7 De-nergize Site

All Retailers may request EPC to De-energize a site, either permanently or in case of demolition, or temporarily for vacancy purposes (for example). Only the Default Supplier may request a De-energize for financial purposes. Only the Default Supplier or EPC may request the installation of a load limiting device.

14.7.1 Re-energize Site

All Retailers may request EPC to Re-energize a site after a temporary De-energization. Only the Default Supplier may request a Re-energize after a financial De-energization. Only the Default Supplier or EPC may request removal of a load limiting device.

14.8 Retiring Site Identification

Site identifications, once created and Energized, are included in Load Settlement and form the basis for billing until the Site is abandoned by EPC.

14.9 Identification Numbers

Electronic information exchange between the Retailer and EPC under these Terms and Conditions shall employ a Retailer identification number, this identification number will be the Canada Customs and Revenue Agency business number as mandated by the ISO. EPC will assign a unique site identification number to each individual site. The site identification number is available in the on-line site identification catalogue.

15.0 BILLING

EPC will bill Retailers separately for Distribution Tariff services and transaction related services.

15.1 Billing for Distribution Tariff Services

EPC will provide bills to each Retailer by Customer rate class in accordance with the Distribution Tariff Rate Schedules. The bill will include tariff calculations by Rate Class for the Billing Period and adjustments based on reconciliations of prior Billing Periods.

Bills for Retail Access Services from EPC are due and payable 15 days after the date of billing as indicated on the bill.

15.2 Billing for Transaction Service and Fee Based Services

EPC will bill for transaction services and fee based services on a monthly basis unless otherwise agreed to in writing. The bill will contain an itemized list of services provided, charges and Customer contact information. Transaction-based or fee based services will be billed at the end of the month in which the work was completed or according to the Fee Schedule.

Bills for transaction services and fee based services from EPC are due and payable 30 days after the date of billing as indicated on the bill. Payment shall be made by electronic funds transfer to the bank account specified by EPC or by cheque payable to EPC.

15.3 Payment by Customer

Retailers will be responsible for any direct billing to and collections from their Customers.

15.4 Late Payment Charges

Any bill rendered to a Retailer for which valid payment has not been received in accordance with Section 15.1 and Section 15.2 of these Terms and Conditions shall be considered past due. On the first day following the payment due date, late payment charges as set out in the Fee Schedule will be applicable to all overdue billed amounts, including arrears and previously unpaid late payment charges.

Payments will be applied first to arrears and then to current charges.

15.5 Default or Failure to Pay

Distribution Tariff Services

Retailers who fail to make payments on time will be notified immediately. Failure to make full payment after notification may result in suspension of Retailer eligibility status, in accordance with Section 16.0 of these Terms and Conditions.

Transaction Service and Fee Based Services

Retailers who fail to make payments on time for transaction services and fee-based services will be subject to normal credit action, which may include, but is not limited to:

- Reminder letters;
- Notification by phone;
- Use of collection agencies;
- Requiring prepayment before additional service;
- Withholding of additional service; and
- Legal action.

15.6 Estimated Bills

EPC reserves the right to estimate bills to Retailers.

15.7 Payment of Accounts

The Retailer shall pay the entire amount stated on the bill by the due date without deduction, set-off or counterclaim, notwithstanding any dispute in whole or in part of the amount. Any undisputed amounts must be paid by the due date or interest will be charged. Bills shall be deemed paid when payment is made either by way of cheque or electronic funds transfer to the bank account specified by EPC pursuant to the Retail Access Services Agreement. Payments received in foreign currency will be credited to the Retailer's account based on the foreign exchange dealer bid price that EPC receives on the date the payment is deposited. Any dispute with respect to a bill from EPC to a Retailer shall be resolved in accordance with current EPC Distribution Tariff dispute resolution processes.

Failure to receive a bill does not release a Retailer from the obligation to pay the amount owing for any Retail Access Services provided by EPC with payment due dates as outlined in Section 15.1 of these Terms and Conditions.

15.7.1 No Payment Required

No payment shall be required on bills or credit bills on which the absolute value of the total amount due is less than $10.00.

15.7.2 Refunds

Refund cheques will be generated for credit bill balances exceeding $10.00 and 30 days on Retailer's account.

15.8 Billing Adjustments

Where EPC overcharges or undercharges a Customer as a result of a billing error including, but not limited to, PFAM's incorrect meter reads or clerical errors by an EPC representative applying the wrong rate, wrong billing factor, or an incorrect calculation, EPC may render an adjusted bill for the amount of the undercharge, without interest, and shall issue a credit to the Retailer for the amount of the overcharge, without interest, in accordance with the following procedures. These procedures refer to adjustments that would be required outside the normal cycle of Initial Monthly, Interim Monthly, and Final Settlement invoicing. Wherever possible, all billing errors will be corrected through the Interim and Final Reconciliation Settlement invoicing. :

- If a Retailer is found to have been overcharged due to a billing error, EPC will calculate the amount of the overcharge for credit to the Retailer on the Retailer's next bill following the discovery of the billing error for those months during which a billing error occurred up to a maximum period of 12 months immediately preceding the month in which the billing error is discovered. Overpayments will be offset against any invoices outstanding, unless a request to the contrary is received from the Retailer.

- If a Retailer is found to have been undercharged due to billing error, EPC may bill the Retailer for those months during which a billing error occurred up to a maximum period of 12 months immediately preceding the month in which the billing error is discovered. Payment from the Retailer will be due in accordance with Section 15.1 of these Terms and Conditions.

15.8.1 Demand Waiver

EPC may consider a Demand waiver when:

(i) The new peak Demand is the result of an EPC power outage, which consequently requires the simultaneous start of the Customer's equipment. The Customer's normal Demand will replace the new peak Demand for billing purposes in this situation; or

(ii) The new peak Demand is the result of a fire, explosion or similar disaster at the Customer's facility. The new peak Demand will be used for billing purposes for the billing period during which the new peak Demand was established, but it will be waived for ratchet purposes for future bills; or

(iii) There is a new plant start up and a commissioning period is agreed upon in which Demands set are not considered the Demands for billing purposes; or

(iv) A Customer's productive operations are entirely shut down for a continuous period of more than 15 days solely by reason of fire, flood, wind, action of the elements, acts of God, or other accident or casualty beyond the Customer's control, and the Customer immediately notifies EPC in writing upon the Customer's knowledge of such event. During this time, any Minimum Charge provision of the applicable Rate schedule may be waived. The Customer must give notice to EPC prior to resumption of any productive operations.

16.0 ELIGIBILITY OF RETAILER

16.1 Eligibility of Retailer

Before EPC will provide Retail Access Services to a Retailer pursuant to these Terms and Conditions, a Retailer must meet and maintain the following eligibility requirements:

16.1.1 Licensing

The Retailer must be duly licensed and registered, where applicable, with Alberta Energy, Alberta Government Services, the ISO and subject to any regulations or policies made under the *Fair Trading Act* to sell or provide Electricity Services.

16.1.2 Prudential Requirements

EPC's determination of the prudential requirements necessary for each Retailer to satisfy EPC that the Retailer is capable of meeting its obligations is final and is not subject to dispute or negotiation and is not subject to the dispute resolution process set out in Section 6.0 of these Terms and Conditions. All costs associated with obtaining financial security and meeting prudential requirements are the responsibility of the Retailer.

The Retailer must provide assurance to EPC that it is capable of meeting its payment obligations under the Distribution Tariff, by either satisfying the credit or security requirements as follows:

Credit Requirements

Retailers are required to provide copies of their audited financial statements and credit rating reports in addition to any other information which may reasonably be deemed necessary by EPC to establish and monitor the Retailer's ability to pay and/or creditworthiness.

Security Requirements

At EPC's sole discretion, Retailers must provide and maintain security in one of the following ways:

- Obtaining a guarantee of payment from a guarantor who satisfies EPC's credit requirements;
- Providing an irrevocable letter of credit from a Canadian chartered bank or equivalent lending institution satisfactory to EPC; or
- Providing a cash deposit.

The security deposit must be in an amount equal to the value projected by the Retailer of the Retailer's payments under EPC's Distribution Tariff over a period equal to 75 days.

EPC, in its sole discretion, may change the amount and/or type of instrument of security required from the Retailer, as EPC changes its assessment of the EPC services provided to the Retailer.

If there is a decrease in the amount of security required, EPC will accept a substitution letter of credit or guarantee for the lower amount or return the surplus cash deposit upon request.

Security can be waived at the sole discretion of EPC.

Retailers must allow a minimum of 20 Business Days before commencement of Site enrollment. This provides EPC adequate time to complete a thorough financial review.

16.1.3 Agreement between EPC and Retailer

The Retailer must have entered into a Retail Access Services Agreement with EPC and the Retail Access Services Agreement must be in full force and effect.

16.1.4 Communications Capabilities

The Retailer must have in place all required information technology systems that will enable it to send data to and receive data from EPC, in accordance with the current SSC and satisfy its obligations under these Terms and Conditions.

This connectivity test for data exchange will be entered into only with prospective Retailers who have formally initiated the eligibility process described in Section 16.0 of these Terms and Conditions.

16.2 Confidentiality

EPC shall keep all Retailer specific credit and security information confidential unless EPC has the Retailer's written authorization and consent to disclose such information to third parties, provided however that such information shall not be subject to such confidentiality where such information:

(a) is generally available to the electric industry or the public at the time of disclosure;

(b) subsequent to receipt by EPC, becomes generally available to the electrical industry or the public as a result of a disclosure by the Retailer or any Person authorized by the Retailer;

(c) was available to EPC on a non-confidential basis prior to its disclosure to EPC;

(d) subsequent to receipt by EPC, EPC can establish, by competent evidence becomes available to EPC on a non-confidential basis from a source other than the Retailer or an authorized representative of the Retailer, without breach of these Terms and Conditions; or

(e) must be disclosed by law to a governmental authority where there is no reasonable alternative to such disclosure.

17.0 CUSTOMER PROTECTION

17.1 Disclosure

Customers always have the right to access their information held by a Retailer or EPC. Any Retailer chosen by a Customer should have access to basic information held by EPC that is needed to serve the Customer and operate its business efficiently.

EPC will ensure that third party access to Customer specific information is restricted unless the Customer consents to the disclosure of this information in a manner permitted under ENMAX's Inter-Affiliate Code of Conduct or the Code of Conduct Regulation, provided however that such information shall not be considered confidential where:

- the information is generally available to the public; or
- must be disclosed by law to a governmental authority where there is no reasonable alternative to such disclosure.

Information may be transferred without consent in the case of legal, regulatory or law enforcement requirements (e.g., transfer of electricity information for drug investigations).

17.2 Errors Discovered by Retailers

When a Retailer discovers that an error has been made in data it has transmitted to EPC, the Retailer shall correct the error and notify EPC immediately.

PART C: CONSUMER SERVICES

18.0 CONSUMER SERVICES

18.1 Provision of Consumer Services

EPC will provide Consumer Services to Customers requesting such services and who meet the application requirements set out in these Terms and Conditions. EPC will make reasonable efforts to provide Consumer Services that will allow for the supply of Energy to the Customer's facilities at a nominal 60-Hertz alternating current and at the nominal voltage level for the Service Connection and variations, which comply with the Canadian Standards Association standards. EPC shall make all reasonable efforts to provide a continuous supply of Energy to its Customers, but cannot guarantee an uninterrupted supply of Energy. Notwithstanding any other provision of these Terms and Conditions, in case the Consumer Services are interrupted by defective equipment or fail from an event or cause of Force Majeure or through the negligence of EPC's employees, servants or agents, EPC will not be liable for the defect, irregularity, interruption or failure.

Procedural and technical requirements that must be met prior to connecting facilities to the EPC Electric Distribution System within the network boundary are described in the document entitled "Network Servicing Policies and Guidelines". Procedural and technical requirements that must be met prior to connecting facilities to the EPC Electric Distribution System outside the network boundary are described in the document entitled "Technical Terms and Conditions for Distribution Wires Access". Both documents are posted on the EPC website.

18.2 Application for Consumer Services

A Customer may apply for Consumer Services to allow for the supply of Energy as set out in Section 18.1 of these Terms and Conditions. Some voltage levels may not be available at all locations served by EPC's Electric Distribution System. Applications will be received through any agent or duly authorized representative of EPC. Only the owner of the premises to be served may be the Customer of record unless a tenant provides a signed lease or other evidence demonstrating occupancy for at least a consecutive six-month period, in which case the tenant shall be the Customer of record.

18.2.1 Method and Form of Application

All Customers, Retailers or agents of Customers applying for Consumer Services must be of legal age to contract for Consumer Services with EPC. EPC reserves the right to verify the identity of the Customer and the accuracy of the information provided and to require the Customer to sign an application in writing on forms provided by EPC. No servant, agent or employee of EPC is authorized to modify orally any provisions of a written application or to bind EPC to any promise or representation contrary thereto. Modifications of written applications shall be in writing and duly executed by an authorized EPC representative.

18.2.2 Application by Retailer or Other Person

A Retailer or any other Person acting as agent of a Customer may apply for Consumer Services on behalf of the Customer if the Retailer or other Person provides EPC with verifiable authorization from the Customer that the Retailer or other Person is authorized by that Customer to make the application. The Customer authorization must be dated and signed by the Customer, and must include the Customer's name and explicit expression of the Customer's intention to obtain Consumer Services at a specified Site.

18.2.3 Provision of Information

Upon request, EPC shall furnish to any Person, detailed information on the method and manner of making application for Consumer Services. Such information may include a copy of EPC's "Technical Terms and Conditions for Distribution Wires Access" and "Network Servicing Policies and Guidelines", a description of the Service Connections available, connections necessary between EPC's Facilities and the Customer's facilities and premises, location of entrance Facilities and metering equipment, and Customer and EPC responsibilities for installation, operation and maintenance of Facilities.

EPC may require an applicant for Consumer Services to provide:

- information regarding the location of the premises to be served, the Customer's Connected Load and preferred supply conditions and the manner in which Consumer Services will be utilized;
- credit information or references;

- any other information outlined in EPC's "Technical Terms and Conditions for Distribution Wires Access" and "Network Servicing Policies and Guidelines", or that EPC reasonably requires; and
- an estimate of usage per month, on a dollar basis.

Upon receipt of the required information, EPC will advise the applicant of the type and character of the Consumer Services it will furnish to the Customer, if any, any special conditions that must be satisfied before EPC will provide any Consumer Services, the Site at which the Consumer Services will be provided, the Customer's Distribution Tariff Billing Demand and, if requested, the location of EPC's metering and related equipment.

18.2.4 Rejection of Application

EPC may, in its sole discretion, reject any applicant's request for Consumer Services, including in the following circumstances;

- where the type of Consumer Services applied for are not available or normally provided by EPC in the locality where the Consumer Services are requested;
- where the applicant or the Customer does not have currently in force all permits, certificates, licenses, or other authorizations or right-of-way agreements that may be required for the installation and operation of Consumer Services;
- where EPC determines, in its sole discretion, that the Customer is not creditworthy or a previous account held by the Customer with EPC is in arrears;
- where the Customer fails to provide a security deposit or letter of credit from a suitable financial institution in form and substance acceptable to EPC;
- where any representation made by the applicant or the Customer to EPC for the purpose of obtaining Consumer Services is, in EPC's opinion, fraudulent, untruthful or misleading;
- where the Customer has not, when requested by EPC to do so, provided a signed written application for Consumer Services; or

- where the proposed loads, in EPC's opinion, have characteristics that might adversely affect the quality of service supplied to other Customers, the public safety, or the safety of EPC's Personnel.

18.2.5 Approvals

The applicant for Consumer Services shall be responsible for obtaining all permits, certificates, licenses, inspections, reports, and other authorizations and right-of-way agreements necessary for the installation and operation of the Consumer Services and shall submit copies of them to EPC upon request. EPC shall not be required to commence or continue installation or provision of Consumer Services unless and until the applicant and the Customer have complied with the requirements of all governmental authorities, all permits, certificates, licenses, inspections, reports and other authorizations, and all right-of-way agreements, and all EPC requirements applicable to the installation and provision of Consumer Services.

18.3 Responsibilities

18.3.1 Rights of Way

At the request of EPC, the Customer shall grant, or cause to be granted to EPC, without cost to EPC, such easements, rights-of-way and rights of entry over, upon or under the property owned, occupied or controlled by the Customer as EPC reasonably requires for the construction, installation, maintenance, repair and operation of the Facilities required for Consumer Services and the performance of all other obligations required to be performed by EPC hereunder.

In all agreements between the Customer and EPC regarding the management of vegetation, the Customer is required to give EPC permission to manage and remove vegetation on the property owned or controlled by the Customer and the right to maintain proper clearances in accordance with the Alberta Electrical and Communications Utility Code. EPC will make every effort to notify the Customer before such work is performed.

The Customer shall not install or allow to be installed on property owned or controlled by the Customer any temporary or permanent structures that could interfere with the proper and safe operation of EPC's Facilities or result in non-compliance with applicable statutes, regulations, standards and codes.

18.3.2 Customer Liability

For Customer owned equipment and facilities, the Customer assumes full responsibility for the proper use of Consumer Services provided by EPC and for the condition, installation, suitability and safety of any and all wires, cables, devices or appurtenances or Facilities Energized on the Customer's premises, or on premises owned, controlled or occupied by the Customer.

18.3.3 Protective Devices

The Customer shall be responsible for determining whether the Customer needs any devices to protect the Customer's facilities from damage that may result from the use of Consumer Services including, without limiting the generality of the foregoing, single phasing protection on three-phase Service Connections. The Customer shall provide, install, and maintain all such devices.

18.3.4 Standards for Interconnection

The Customer's installation shall conform to the requirements of EPC's "Technical Terms and Conditions for Distribution Wires Access" or "Network Servicing Policies and Guidelines" and/or such further requirements as EPC may establish from time to time. Copies of such requirements are available from EPC and will be posted on the EPC website.

18.3.5 Suitability of Equipment

All of the Customer's facilities shall be suitable for operation with Consumer Services and Facilities provided by EPC. The Customer shall not use Consumer Services for any purpose, or with any apparatus, that would cause a disturbance to any part of EPC's Electric Distribution System.

18.4 Connections

18.4.1 Interference with EPC's Property

No one other than an authorized employee or agent of EPC shall be permitted to remove, operate, or maintain meters, electric equipment or other EPC Facilities. The Customer shall not interfere with, extend or alter EPC's meter, seals or other Facilities or permit the same to be done by anyone other than the authorized agents or employees of EPC. EPC property shall be installed at points most convenient for EPC's access and service and in conformance with public regulations in force from time to time. The Customer shall be responsible for all destruction, loss or damage to EPC's meters, electric equipment, seals or other Facilities located on the Customer's premises or on premises owned, operated or controlled by the Customer where the destruction or damage is caused by a negligent act or omission or willful misconduct of the Customer or anyone permitted by the Customer to be on the premises, provided however, that the Customer shall not be liable for such destruction, loss or damage where such destruction, loss or damage is occasioned by circumstances beyond the Customer's control.

18.4.2 Protection of EPC's Equipment

The Customer shall furnish and maintain, at no cost to EPC, the necessary space, housing, fencing, barriers, and foundations for the protection of Facilities necessary for the provision of Consumer Services to be installed upon the Customer's premises, or on the premises owned, occupied or controlled by the Customer, whether the Facilities are furnished by the Customer or by EPC. Such space, housing, fencing, barriers and foundations shall be in conformity with applicable laws and regulations and subject to EPC's specifications and approval. If the Customer refuses, EPC may at its option furnish and maintain, and charge the Customer for furnishing and maintaining, the necessary protection.

18.4.3 Unauthorized Use or Unsafe Conditions

If EPC determines that there has been an unauthorized use of Energy or Consumer Services including but not limited to any tampering with a meter or other EPC Facilities, unauthorized Energization or Re-Energization, or theft, fraud, intentional or unintentional use of Energy whereby EPC is denied full compensation for services provided, EPC may make such changes in its meters, appliances, or other Facilities or take such other corrective action as may be appropriate to ensure only the authorized use of the Facilities and Consumer Services, and also to ensure the safety of the general public and EPC Personnel and the Customer is hereby deemed to consent to such corrective action. Upon finding an unauthorized use of Facilities or Energy or finding that Consumer Services have not been used in accordance with these Terms and Conditions, EPC may discontinue the Consumer Services and charge the Customer, Retailer or any other Person acting as agent for the Customer for all damages suffered by EPC and all costs incurred in correcting the condition. Nothing in this Section 18.4.3

of these Terms and Conditions shall be deemed to constitute a waiver of any other rights of redress which may be available to EPC or to limit in any way any legal recourse which may be open to EPC.

18.4.4 Relocation of EPC's Facilities

The costs of relocating EPC's meter, seals or other Facilities shall be borne by the Customer when done at the Customer's request, for the Customer's convenience, or if necessary to remedy any violation of law or regulation caused by the Customer. If requested by EPC, the Customer shall pay the estimated cost of the relocation in advance.

18.4.5 Customer's Facilities

The Customer will ensure that its facilities comply with the applicable requirements of the Canadian Electrical Code and with all technical guidelines issued from time to time by EPC. The Customer shall not use its Consumer Services in a manner so as to cause undue interference with any other Customer's use of Consumer Services such as an abnormal disturbance to the voltage, frequency and waveform of the Energy supply. At EPC's request, the Customer shall take whatever action is required to correct such interference or disturbance at the Customer's expense. Alternatively, EPC may elect to correct the interference or disturbance at the Customer's expense.

The Customer shall not, without the written consent of EPC use its own facilities in parallel operation with EPC's Electric Distribution System. A Customer shall not extend or permit the extension of its facilities connected to EPC's Electric Distribution System beyond property owned, controlled or occupied by that Customer.

18.5 Change in Consumer Services

18.5.1 Prior Notice by Customer

A Customer shall give EPC reasonable written notice prior to any change in the Customer's requirements for Consumer Services, including any change in Connected Load, to enable EPC to determine whether it can accommodate such change without alterations to its Facilities. A Retailer or any other Person who is acting as agent for a Customer and who provides EPC with verifiable authorization from the Customer may give such notice to EPC on the Customer's behalf. If EPC receives such notice from a

Retailer or other Person, EPC may at its option require that such notice be provided directly from the Customer.

The Customer shall not change its requirement for Consumer Services without EPC's written permission. The Customer shall be responsible for all damages, whether direct or indirect or consequential, caused to EPC's Electric Distribution System or Facilities as a result of the Customer changing its requirements for Consumer Services without EPC's permission.

18.5.2 Changes to EPC's Facilities

If EPC must modify its Facilities to accommodate a specific request of change, howsoever caused, in a Customer's requirements for Consumer Services, the Customer shall pay for all costs attributable to such modification including, without limitation, the following costs:

- EPC's stranded investment as determined by, the estimated original capital cost of EPC's Facilities being removed, less any contribution-in-aid-of-construction made to the capital cost of those Facilities, less accumulated depreciation, plus
- the estimated cost of removing EPC's Facilities, less the estimated salvage value, plus
- the estimated cost of installing EPC's new Facilities, less
- any applicable EPC investment.

18.6 De-energization of Service

18.6.1 De-energization at Request of Retailer

EPC will discontinue or reduce the capability of the Customer's Consumer Services at the request of a Retailer in accordance with EPC's Energization and De-energization policies approved by the Board from time to time and set out in these Terms and Conditions.

18.6.2 De-energization at Request of Customer

The Customer may at any time on thirty (30) days prior oral or written notice to EPC, request the De-energization of the Electricity Services. De-energization notice can be revoked with at least 48 hours notice in advance of the scheduled De-energization date. The Customer may be required to pay for any unrecovered investment made by EPC in respect of providing the Customer's Electricity Services.

18.6.3 De-energization for Safety Reasons

EPC reserves the right to De-energize Consumer Services to a Customer at any time without notice, or to refuse to make such Consumer Services available to the Customer, where, in EPC's opinion, any of the following conditions exist:

- the Customer has permitted the Customer's facilities to become hazardous;
- if to EPC's knowledge or in its judgment, the Customer's facilities are unsafe or defective or will become unsafe or defective imminently;
- the Customer's facilities fail to comply with applicable statutes, regulations, standards and codes and EPC's requirements; or
- the use of Consumer Services may cause damage to EPC's Facilities or Electric Distribution System or interfere with or otherwise disturb any other service provided by EPC.

EPC will continue Consumer Services when the condition has been rectified to EPC's satisfaction, when the Customer has provided, or paid EPC's costs of providing, such Facilities as may be necessary to rectify the condition and prevent the condition from reoccurring, and the Customer's facilities are approved by the appropriate authority. EPC shall make a reasonable effort to notify each Customer within a reasonable time after De-energization, of the reason for the De-energization and the actions required for Re-energization.

18.6.4 De-energization Other Than for Safety

EPC may at any time, after having given at least 48 hours' prior oral or written notice to a Customer and without any further notice, discontinue Consumer Services to the Customer or install a current-limiting device to restrict the capability of Consumer Services if the Customer:

- violates any provision of these Terms and Conditions or the Distribution Tariff;

- tampers with any service conductors, seals or any other EPC Facilities or any meters, whether or not provided by EPC;

- neglects or refuses to pay when due, all amounts required to be paid under these Terms and Conditions or Fee Schedule or Rate Schedule;

- changes its requirements for Consumer Services without the written permission of EPC; or

- provides EPC with incorrect information or makes fraudulent or unauthorized use of Consumer Services.

18.6.5 Restoration of Service

If Consumer Services to a Customer are restricted by a current limiting device or De-energized (other than for safety reasons and whether at the request of the Customer or not) the Customer shall pay the following amounts prior to EPC Re-energizing Consumer Services:

- any amount owing to EPC; and

- a Re-energization charge in accordance with the Fee Schedule which forms part of the Distribution Tariff, if Consumer Services are restored during EPC's normal business hours, or, in any other case, an amount not exceeding EPC's actual cost of Re-energization.

18.6.6 Removal of Facilities

Upon termination of Consumer Services, EPC will be entitled to enter upon and remove from the property owned, occupied or controlled by the Customer any of EPC's Facilities located upon the property.

18.6.7 Fee Schedule

EPC reserves the right to impose reasonable fees and charges pursuant to the various provisions of these Terms and Conditions and as approved by the Board. The fees and charges shall be set out in the Fee Schedule.

18.7 Residential Investment Policy

18.7.1 Responsibilities:

EPC and the Developer will each be responsible for specific development costs as follows:

- The EPC residential investment level will cover the costs to provide modified Underground Residential Distribution ("URD") system (i.e., overhead main feeder) including the material cost associated with the service coil to standard subdivision developments as defined in Section 18.7.2 of these Terms and Conditions;

- The Customer shall be responsible for the installation and all future maintenance of the service coil on the Customer's property;

- For non-standard subdivision and multi-family dwelling developments, the Developer shall pay the actual costs of construction including the service coil less the EPC residential investment level; and

- For a total underground distribution system (i.e. underground main feeder), the Developer shall pay the actual cost of the underground feeder less EPC's allowance for an overhead feeder.

18.7.2 Conditions of Standard Subdivision Detached and Semi-Detached Dwelling Units

The EPC residential investment level is based on a standard detached and semi-detached dwelling units Subdivision subject to the following conditions:

- The average lot width shall be twenty-three (23) metres or less;

- An average of at least seven (7) lots shall be serviced from each new transformer installed;

- Transformers which were installed previously to serve earlier portions of a subdivision shall be used where possible;

- The distance from the nearest primary supply point to the first transformer divided by the number of lots shall be less than or equal to twelve (12) metres per lot;

- Only 100 Amp and 200 Amp services are provided;

- Any portion of a subdivision involving re-lotting of previously serviced lots is excluded; and

- There shall be at least fifteen (15) lots in any one Development Area.

Where development is other than detached or semi-detached dwelling units, or where the foregoing conditions for detached or semi-detached dwelling units are not met, the cost to the Developer shall be the actual cost of construction less the EPC residential investment level.

18.8 Non-Residential Investment Policy

For commercial services, EPC will invest in service connection(s) to a property or building as outlined below:

Customer Type	ENMAX Investment Policy
Small Commercial (Rate Code D200), Distributed Generation (Rate Code D600), Streetlighting (Rate Code D500)	First $10,000.
Medium Commercial – Secondary (Rate Code D300), Large Commercial – Secondary (Rate Code D310), Distributed Generation (Rate Code D600)	$250/kVA of Minimum Contract Demand up to 80% of anticipated maximum demand (Minimum Contract Demand in network area is estimated)
Medium Commercial – Primary (Rate Code D400), Large Commercial – Primary (Rate Code D410) Distributed Generation (Rate Code D600)	$75/ kVA of Minimum Contract Demand up to 80% of anticipated maximum demand (Minimum Contract Demand in network area is estimated).
Overhead and Underground	$6000/lot
Commercial Subdivision	(not applicable in network area)
Irrigation Services (Controls), Temporary Services (includes Sign Services)	N/A

For commercial/industrial services, the following conditions shall apply:

- **Minimum Contract Demand**: the kVA of capacity contracted for by the Customer;
- **Contract Term**: the term of the standard contract will be 15 years;
- **Contract Obligation:** the contract applies to the original, contracted owner;

- **Customer Demand Obligation:** the Customer's Billing Demand shall be the greater of the "Minimum Contract Demand" or the highest kVA demand in the last 12 months. Within the network (or downtown) area, the Minimum Contract Demand is estimated;

- **Contract "Buy Down":** Customers are permitted to "buy down" the EPC investment, and therefore reduce their Minimum Contract Demand, with a linear reduction factor over a 15 year time frame according to the following formula:
    - Customer "Buy down" cost = (Original EPC investment – Reduced EPC investment) x (1- (Contract Year/15))

- **Line Contribution Refunds:** EPC does not currently employ this practice and we are not endorsing the refund of Contribution-in-aid-of-construction from one Customer to another;

- **Staged Loading by Customer:** standard investment levels will apply for Customers with staged loading subject to the full contract minimum being in place within 2 years of energization;

- **Distributed Generation Investment Policy:** maximum export limit will be used as "Minimum Contract Demand" for EPC investment calculation;

- **Optional Facilities:** EPC's investment will only apply to facilities deemed reasonable, useful, and justifiable to EPC engineering staff. Facilities requested by a Customer that, in the opinion of EPC, are not reasonable, useful, or justifiable, shall be entirely at the cost of the Customer; and

- **Transmission Facilities:** this policy does not in any way apply to or include transmission or substation related capital costs.

19.0 REVENUE METERING EQUIPMENT

19.1 Installation of Meters

19.1.1 Provision and Ownership

EPC shall provide, install and seal one or more meters for the purpose of measuring the Energy delivered to a Customer. Each meter shall remain the sole property of EPC regardless of the degree to which the meter may be affixed to the Customer's premises, or to premises owned, occupied or controlled by the Customer or equipment.

Time of use or interval meters shall be installed for a Customer who has a Load equal to or exceeding 150 kVA at least twice in a 12-month period. For new Customers moving into existing space, EPC will make an estimate of Site Demand, and if the estimate is greater than or equal to 150 kVA, an interval meter will be installed. For an existing Site where modifications are made to the infrastructure requiring Load to be equal to or in excess of 150 kVA, an interval meter will be installed. In these cases, the costs of the new interval meter, including installation, will be borne by EPC.

Should a Customer request that an interval meter be installed or a communication device be attached to the existing meter, the request shall be made in accordance with the provisions set out in the Technical Terms and Conditions for Distribution Wires Access (available on the EPC website). EPC shall provide, install, test, and maintain the requested metering or communication device. The Customer shall bear the cost incurred by EPC in providing and installing the meter or attaching the communication device per the Fee Schedule. Upon installation, the meter or communication device shall remain the property of EPC and will be maintained by EPC. EPC shall complete installation of the meter or attachment of the communication device, if reasonably possible, within 30 days of receiving a request from the Customer. EPC shall invoice the Customer upon installation.

19.1.2 Responsibility of Customer

Each Customer shall provide, own and install a meter socket or meter enclosure and other approved and required facilities suitable for the installation of EPC's meter or metering equipment in accordance with EPC's current Technical Terms and Conditions for Distribution Wires Access.

19.2 Installation of Metering Equipment

Installation of metering equipment shall be designated in accordance with the requirements of the Revenue Metering Guide, which can be accessed through EPC's website.

19.3 Access to Metering Equipment

EPC may, at any reasonable time, read, inspect, remove and test its meter installed on property owned or controlled by the Customer. EPC's employees, agents and other representatives shall have the right to enter property owned, occupied or controlled by a Customer at all reasonable times and intervals for the purpose of installing, maintaining, replacing, testing, monitoring, reading or removing EPC's electrical equipment and appliances or other Facilities or of discontinuing service or for any other purpose incidental to the provision of Consumer Services and the Customer shall not prevent or hinder EPC's entry.

19.4 Changes to Metering

EPC may at any time change any meter it installed.

Customer requests for a new meter will be processed as per the Technical Terms and Conditions for Distribution Wires Access which can be accessed through EPC's website.

20.0 TRANSMISSION CONNECTED SERVICES

20.1 General

Transmission Connected Customers taking Transmission Connected Services from EPC will be subject to the provisions of the ISO approved tariff as it applies to EPC at the Point of Delivery ("POD") to which the Transmission Connected Customer's service is connected. This includes an application of all tariff amounts such as, but not limited to, contributions, riders, application fees, miscellaneous charges, study costs or ISO deferral account dispositions that are paid to or refunded by the ISO, in accordance with the ISO's approved tariff.

20.2 System Access Service

EPC arranges for provision of System Access Service from the ISO for all Customers. The arrangements for System Access Service and the associated transmission facilities for Transmission Connected Customers will be aligned with the Transmission Load Customer's service requirements recognizing that the rates, terms and conditions of the ISO tariff will be applied directly to the Transmission Connected Customer.

EPC is not obligated to commit to the ISO for commencement of the construction of new facilities required for System Access Service for a Transmission Connected Customer until adequate credit arrangements, guarantees and Commitment Agreements, acceptable to EPC, are made with the Transmission Connected Customer.

The Transmission Connected Customer is required to sign an interconnection agreement with the transmission facility owner prior to the System Access Service Agreement being executed.

20.3 Metering

The meter of the Transmission Connected Customer is the meter at the respective Point of Delivery. Consequently, metering equipment shall be installed in accordance with any ISO metering requirements. Any contribution associated with installation, changes or upgrades to metering to satisfy these requirements will be the responsibility of the Transmission Connected Customer.

20.4 Tariff

A Transmission Connected Customer will be billed in accordance with the Distribution Tariff.

20.5 Investment Policy

If a Customer contribution is required by the ISO for transmission facilities to provide System Access Service to a Transmission Connected Customer, a charge for such contribution will apply directly to the Customer. Payment must be made in accordance with the ISO tariff.

20.6 Changes to System Access Service

For any POD that is a Service Connection for a Transmission Connected Customer, EPC will make a request to the ISO for an increase or reduction in transmission contract levels or a change to the terms of System Access Service only upon written request from the Transmission Connected Customer.

Changes to a Transmission Connected Customer's contract levels or terms of System Access Service will be effective only upon agreement between EPC and the ISO.

The Customer will pay any costs and receive any refunds from the ISO that occur as a result of any such changes.

20.7 Exit Costs

If a service for a Transmission Connected Customer is terminated, the Customer shall pay all transmission related exit costs, which include:

(a) any costs charged by the ISO to EPC, as a direct consequence of the Customer's termination of service;

(b) the present value of any ongoing System Access Service costs for the particular POD that are attributable to the Customer and that will not be recovered by EPC from the Customer as a direct consequence of the Customer's termination of service;

(c) any other un-recovered transmission related amounts as stipulated in the contract between EPC and the Customer; and

(d) any outstanding amounts attributable to the Customer with respect to, but not limited to, any deferral accounts, rate riders or Board decisions.

20.8 Release

In accordance with section 101(2) of the *EUA*, Transmission Connected Customers may, with prior approval of EPC, enter into an agreement directly with the ISO. Should EPC agree to such release, EPC reserves the right to bill the released Customer directly for all Board approved riders and charges arising from services supplied by EPC prior to the release.

PART D: DISTRIBUTED GENERATION SERVICES

21.0 DISTRIBUTED GENERATION SERVICES

21.1 Provision of Distributed Generation Interconnection Services

EPC will provide Distributed Generation Interconnection Services to Distributed Generators requesting such services and who meet the application requirements set out in these Terms and Conditions. EPC will make reasonable efforts to provide Distributed Generation Interconnection Services that will allow for the supply of Energy from the Distributed Generator's facilities, in a manner that does not degrade power quality, operability or reliability of the IES. Notwithstanding any other provision of these Terms and Conditions, in case the Distributed Generation Interconnection Services are interrupted by defective equipment or fail from an event or cause of Force Majeure or through the negligence of EPC's employees, servants, agents or contractors, EPC or its employees, servants, agents or contractors will not be liable for the defect, irregularity, interruption or failure.

Procedural and technical requirements that must be met prior to connecting facilities to the EPC Electric Distribution System are described in the following documents: Guide for Generator Interconnection to The Wires Owner Distribution System, Guide for Micro-Generator Interconnection to the Wires Owner Distribution System, Technical Terms and Conditions for Distribution Wires Access and Network Servicing Policies and Guidelines. These and related documents are posted on the EPC website, or can be obtained from EPC.

Both EPC and the Distributed Generator shall operate and maintain their respective facilities in accordance with the policies of the ISO, the North American Electric Reliability Council, the Western Systems Coordinating Council and the Northwest Power Pool. The standards imposed by these organizations may change from time to time and parties are expected to comply with any changed standards upon receipt of notice or otherwise becoming aware of such changes.

21.2 Application for Distributed Generation Interconnection Services

A Distributed Generator may apply for Distributed Generation Interconnection Services to provide the delivery of Energy as set out in Section 21.1 of these Terms and Conditions.

21.2.1 Method and Form of Application

EPC reserves the right to verify the identity of the Distributed Generator and the accuracy of the information provided and to require the Distributed Generator to sign an application in writing on forms provided by EPC. No servant, agent or employee of EPC is authorized to modify orally any provisions of a written application or to bind EPC to any promise or representation contrary thereto. Modifications of written applications shall be in writing and duly executed by an authorized EPC representative

21.2.2 Provision of Information

Upon request, EPC shall furnish detailed information on the method and manner of making application for Distributed Generation Interconnection Services. Such information may include copies of EPC's Distributed Generation interconnection guides, and Distributed Generator and EPC responsibilities for installation, operation and maintenance of Facilities.

EPC may require an applicant for Distributed Generation Interconnection Services to provide:

- information regarding the location of the interconnection, service point address, the Distributed Generator's Connected Load, preferred supply conditions, and the manner in which Distributed Generation Interconnection Services will be utilized;
- credit information or references;
- proof that the Distributed Generator has
    - obtained a system access authorization from the ISO, where required;
    - obtained an executed Interconnection Agreement with EPC;
    - satisfied all membership and application requirements of the Power Pool, if selling to the Power Pool;
    - a mutual acceptance by the Distributed Generator and EPC of Operating Procedures, attached to and forming part of the Interconnection Agreement;

- had its facility commissioned and interconnected with EPC's circuits; and

- any other information that EPC reasonably requires.

Upon receipt of the required information, EPC will advise the applicant of the type and character of the Distributed Generation Interconnection Services it will furnish to the Distributed Generator, if any, any special conditions that must be satisfied before EPC will provide any Distributed Generation Interconnection Services and, if requested, the location of EPC's metering and related equipment.

21.2.3 Rejection of Application

EPC may, in its sole discretion, reject any applicant's request for Distributed Generation Interconnection Services when:

- the type of Distributed Generation Interconnection Service applied for is not available;
- the applicant or the Distributed Generator does not have currently in force all permits, certificates, licenses, or other authorizations or right-of-way agreements that may be required for the installation and operation of Distributed Generation Interconnection Services;
- EPC determines, in its sole discretion, that the Distributed Generator is not creditworthy or a previous account held by the Distributed Generator with EPC is in arrears;
- the Distributed Generator fails to provide a security deposit or letter of credit from a suitable financial institution in form and substance acceptable to EPC;
- any representation made by the applicant or the Distributed Generator to EPC for the purpose of obtaining Distributed Generation Interconnection Service is, in EPC's opinion, fraudulent, untruthful or misleading;
- the Distributed Generator has not, when requested by EPC to do so, provided a signed written application for Distributed Generation Interconnection Services; or

- the proposed interconnection, has characteristics that might adversely affect the quality of service supplied to other Distributed Generators, Customers, the public safety, or the safety of EPC's Personnel.

21.2.4 Approvals

The applicant for Distributed Generation Interconnection Services shall be responsible for obtaining all permits, certificates, licenses, inspections, reports, and other authorizations and right-of-way agreements necessary for the installation and operation of the Distributed Generation and shall submit copies of them to EPC upon request. EPC shall not be required to commence or continue installation or provision of Distributed Generation Interconnection Services unless and until the applicant and the Generator have complied with the requirements of all governmental authorities, all permits, certificates, licenses, inspections, reports and other authorizations, and all right-of-way agreements, and all EPC requirements applicable to the installation and provision of Distributed Generation Interconnection Services.

21.3 Responsibilities

21.3.1 Rights of Way

At the request of EPC, the Distributed Generator shall grant, or cause to be granted to EPC, without cost to EPC, such easements, rights-of-way and rights of entry over, upon or under the property owned, occupied or controlled by the Distributed Generator as EPC reasonably requires for the construction, installation, maintenance, repair and operation of the Facilities required for Distributed Generation service and the performance of all other obligations required to be performed by EPC hereunder.

The Distributed Generator shall provide access for EPC to the Distributed Generator's facility for the purposes of meter reading or installation, maintenance or removal of EPC's facilities and for the purpose of treating, brushing, trimming and cutting of trees as is necessary for the proper operation of EPC's facilities.

The Distributed Generator shall not install or allow to be installed on property owned or controlled by the Distributed Generator any temporary or permanent structures that could interfere with the proper and safe operation of EPC's Facilities or result in non-compliance with applicable statutes, regulations, standards and codes.

21.3.2 Distributed Generator Liability

The Distributed Generator assumes full responsibility for the proper use of Distributed Generation Interconnection Services provided by EPC and for the condition, installation, suitability and safety of any and all wires, cables, devices or appurtenances or Facilities Energized on the Distributed Generator's premises or on premises owned, controlled or occupied by the Distributed Generator.

21.3.3 Protective Devices

The Distributed Generator shall be responsible for determining whether it requires any devices to protect its facilities from damage that may result from the use of Distributed Generation. The Distributed Generator shall be responsible for the design, supply, construction, operation and maintenance of all equipment on its side of the Point of Common Coupling necessary to provide protection to the Distributed Generator's facilities.

21.3.4 Standards for Interconnection

The Distributed Generator's installation shall conform to the requirements of EPC's Distributed Generation standards or such further requirements as EPC may establish from time to time. Copies of such requirements are available from EPC and will be posted on the EPC website.

21.3.5 Suitability of Equipment

All of the Distributed Generator's facilities shall be suitable for operation with Distributed Generation Interconnection Services and Facilities provided by EPC. The Distributed Generator shall not use Distributed Generation for any purpose, or with any apparatus, that would cause an adverse disturbance to any part of EPC's Electric Distribution System. EPC has the right, but not the obligation, to inspect the Distributed Generator's facility. This right of inspection shall not relieve the Distributed Generator of responsibility for the safe design, construction, maintenance and operation of its facility and all liability in connection therewith remains with the Distributed Generator. The Distributed Generator shall provide reasonable access upon reasonable prior notice to enable EPC to conduct such inspection.

21.4 Connections

21.4.1 Interconnection Charges

The Distributed Generator shall pay EPC an amount, as determined by the Non-Residential Investment Policy (as outlined in Section 18.8 of these Terms and Conditions), for the interconnection of EPC's facility to the Distributed Generator's facility. The cost of interconnection shall include, but not be limited to, costs incurred in the design, supply, construction, operation and maintenance of all interconnection, protective and metering equipment, including the costs of any modifications to EPC's facilities that may be required.

21.4.2 Interference with EPC's Property

No one other than an authorized employee or agent of EPC shall be permitted to remove, operate, or maintain meters, electric equipment or other EPC Facilities. The Distributed Generator shall not interfere with, extend or alter EPC's meter, seals or other Facilities or permit the same to be done by anyone other than the authorized agents or employees of EPC. EPC property shall be installed at points most convenient for EPC's access and service and in conformance with public regulations in force from time to time. The Distributed Generator shall be responsible for all destruction, loss or damage to EPC's meters, electric equipment, seals or other Facilities located on the Distributed Generator's premises or on premises owned, operated or controlled by the Distributed Generator where the destruction or damage is caused by a negligent act or omission or willful misconduct of the Distributed Generator or anyone permitted by them to be on the premises, provided however, that the Distributed Generator shall not be liable for such destruction, loss or damage where such destruction, loss or damage is occasioned by circumstances beyond the Distributed Generator's control.

21.4.3 Protection of EPC's Equipment

The Distributed Generator shall furnish and maintain, at no cost to EPC, the necessary space, housing, fencing, barriers, and foundations for the protection of Facilities necessary for the provision of Distributed Generation Interconnection Services to be installed upon the Distributed Generator's premises, or on the premises owned, occupied or controlled by the Distributed Generator, whether the Facilities are furnished by the Distributed Generator or by EPC. If the Distributed Generator refuses, EPC may at its option furnish and maintain, and charge the Distributed Generator for furnishing and maintaining, the necessary protection. Such space, housing, fencing, barriers and foundations shall be in conformity with applicable laws and regulations and subject to EPC's specifications and approval.

21.4.4 Unauthorized Use or Unsafe Conditions

If EPC determines that there has been an unauthorized use of Distributed Generation including but not limited to any tampering with a meter or other EPC Facilities, unauthorized connection or reconnection, or theft, fraud, whereby EPC is denied full compensation for services provided, EPC may make such changes in its meters, appliances, or other Facilities or take such other corrective action as may be appropriate to ensure only the authorized use of Distributed Generation, and also to ensure the safety of the general public and EPC Personnel, and the Distributed Generator is hereby deemed to consent to such corrective action. Upon finding an unauthorized use of Facilities or finding that Distributed Generation Interconnection Services have not been used in accordance with these Terms and Conditions, EPC may discontinue the Distributed Generation Interconnection Services and charge the Distributed Generator, all damages suffered by EPC and all costs incurred in correcting the condition. Nothing in this Section 21.4.4 of these Terms and Conditions shall be deemed to constitute a waiver of any other rights of redress, which may be available to EPC, or to limit in any way any legal recourse, which may be open to EPC.

21.4.5 Relocation of EPC's Facilities

The costs of relocating EPC's meter, seals or other Facilities shall be borne by the Distributed Generator when done at its request, for its convenience, or if necessary to remedy any violation of law or regulation caused by the Distributed Generator. If requested by EPC, the Distributed Generator shall pay the estimated cost of the relocation in advance

21.4.6 Distributed Generator's Facilities

The Distributed Generator shall operate and maintain its facilities in compliance with the EPC Guide for Generator Interconnection to the Wires Owner Distribution System and the Guide for Micro-generator Interconnection to the Wires Owner Distribution System, which are posted on the EPC website.

21.4.7 Prior Notice by Distributed Generator

A Distributed Generator shall give EPC reasonable written notice prior to any change in the Distributed Generator's requirements for Distributed Generation Interconnection Services, including any change in generation, to enable EPC to determine whether it can accommodate such change without alterations to its Facilities.

The Distributed Generator shall not change its requirement for Distributed Generation Interconnection Services without EPC's written permission. The Distributed Generator shall be responsible for all damages, whether direct or indirect or consequential, caused to EPC's Electric Distribution System or Facilities as a result of the Distributed Generator changing its requirements for Distributed Generation Interconnection Services without EPC's permission.

21.4.8 Changes to EPC's Facilities

If EPC must modify its Facilities to accommodate a change in a Distributed Generator's requirements for Distributed Generation Interconnection Services, the Distributed Generator shall pay for all costs attributable to such modification including, without limitation, the following costs:

- the original capital cost of EPC's Facilities being removed, less any contribution-in-aid-of-construction made to the capital cost of those Facilities, less accumulated depreciation, plus
- the estimated cost of removing EPC's Facilities, less the estimated salvage value, plus
- the estimated cost of installing EPC's new Facilities, less
- any applicable EPC investment.

21.5 De-energization of Service

21.5.1 De-energizaton at Request of Distributed Generator

The Distributed Generator may at any time and on reasonable written notice to EPC, request the De-energization or reduction in capability of its Distributed Generation. The

Distributed Generator may be required to pay for any unrecovered investment made by EPC in respect of the Distributed Generator's service.

21.5.2 De-energizaton for Safety Reasons

EPC reserves the right to De-energize Distributed Generation Interconnection Services to a Distributed Generator at any time without notice, or to refuse to make such Services available to the Distributed Generator, where, any of the following conditions exist:

- the Distributed Generator has permitted its facilities to become hazardous;
- if to EPC's knowledge or in its judgment, the Distributed Generator's facilities are unsafe or defective or will become unsafe or defective imminently;
- the Distributed Generator's facilities fail to comply with applicable statutes, regulations, standards, codes and EPC's generator interconnection requirements; or
- the use of Distributed Generation may cause damage to EPC's Facilities or Electric Distribution System or interfere with or otherwise disturb any other service provided by EPC.

EPC will Re-energize Distributed Generation interconnection when the condition has been rectified to EPC's satisfaction, when the Distributed Generator has provided, or paid EPC's costs of providing, such Facilities as may be necessary to rectify the condition and prevent the condition from reoccurring, and the Distributed Generator's facilities are approved by the appropriate authority.

21.5.3 De-energizaton Other Than for Safety

EPC may at any time, after having given at least 48 hours' prior oral or written notice to a Distributed Generator and without any further notice, De-energize Distributed Generation Interconnection Services to the Distributed Generator, if it:

- violates any provision of these Terms and Conditions or the Distribution Tariff;
- tampers with any service conductors, seals or any other EPC Facilities or any meters, whether or not provided by EPC;

- neglects or refuses to pay when due, all amounts required to be paid under these Terms and Conditions, Fee Schedule or Rate Schedule;
- changes its requirements for Distributed Generation Interconnection Services without the written permission of EPC; or
- provides EPC with incorrect information or makes fraudulent or unauthorized use of Distributed Generation Interconnection Services.

21.5.4 Re-Energization of Service

If Distributed Generation Interconnection Services to a Distributed Generator are De-energized (other than for safety reasons and whether at the request of the Distributed Generator or not) it shall pay the following amounts prior to EPC Re-energizing Distributed Generation Interconnection Services:

- any amount owing to EPC; and
- a Re-energization charge in accordance with the Fee Schedule.

21.5.5 Removal of Facilities

Upon termination of Distributed Generation Interconnection Services, EPC will be entitled to enter upon and remove from the property owned, occupied or controlled by the Distributed Generator or any of EPC's Facilities located upon the property.

21.5.6 Fee Schedule

EPC reserves the right to impose reasonable fees and charges pursuant to the various provisions of these Terms and Conditions. The fees and charges shall be set out in the Fee Schedule.

22.0 METER SERVICES

22.1 Installation of Meters

22.1.1 Provision and Ownership

EPC shall provide, install and seal one or more meters for the purpose of measuring the Energy received from a Distributed Generator. Each meter shall remain the sole property of EPC regardless of the degree to which the meter may be affixed to the Distributed Generator's premises, or to premises owned, occupied or controlled by the Distributed Generator, or equipment.

22.1.2 Distributed Generator Meters

The Distributed Generator retains ownership of any Distributed Generator owned meter on its side of the point of service connection that it has installed. The selection of meters, calibration of meters and handling of meter disputes shall be in accordance with the *Electricity and Gas Inspection Act* (Canada) and regulations thereunder, or such other amended or replacement legislation as may from time to time be enacted. EPC may arrange with the Distributed Generator to have its metering equipment tested or calibrated by the proper official designated by the *Electricity and Gas Inspection Act* (Canada).

22.2 Location

Meter locations shall be designated by EPC based on the particulars of the Distributed Generation requested and convenience of access to the meter. Where a meter is installed on a Distributed Generator owned pole, the pole shall be provided and maintained by the Distributed Generator as required by the Canadian Electric Code and any other applicable statutes, regulations, standards and codes.

22.3 Access to Metering Equipment

EPC may, at any reasonable time, read, inspect, remove and test its meter installed on property owned or controlled by the Distributed Generator. EPC's employees, agents and other representatives shall have the right to enter property owned, occupied or controlled by a Distributed Generator at all reasonable times and intervals for the purpose of installing, maintaining, replacing, testing, monitoring, reading or removing EPC's electrical equipment and appliances or other Facilities or of discontinuing service or for any other purpose incidental to the provision of Distributed Generation Interconnection Services, and the Distributed Generator shall not prevent or hinder EPC's entry.

22.4 Changes to Metering

EPC may at any time change any meter it installed.

Distributed Generator requests for a new meter will be processed as per the Technical Terms and Conditions for Distribution Wires Access, which can be accessed through EPC's website.

23.0 MISCELLANEOUS

23.1 Insurance

The Distributed Generator shall purchase a liability insurance program for the operation of the generator that a prudent operator of a similar generator would maintain. The cost of obtaining and maintaining such liability insurance shall be borne by the Distributed Generator.

In respect of the insurance policies carried by the Distributed Generator under this Section 23.1 of these Terms and Conditions, each insurance policy shall include waivers of subrogation in favour of EPC and any commercial general liability policy shall include a cross liability and blanket contractual clause and shall include EPC as an additional insured. The Distributed Generator will provide a certificate of insurance in this regard to EPC.

APPENDIX 1

ENMAX POWER CORPORATION

DISTRIBUTION TARIFF

TERMS AND CONDITIONS

RETAIL ACCESS SERVICES AGREEMENT

This Agreement is made as of the ● day of ●, 200.

BETWEEN:

ENMAX POWER CORPORATION, incorporated under the laws of Alberta ("**EPC**")

OF THE FIRST PART

- and -

●, incorporated under the laws of ● (the "**Retailer**")

OF THE SECOND PART

WHEREAS the Retailer has requested that EPC provide Retail Access Services to the Retailer and EPC has agreed to provide Retail Access Services to the Retailer upon and subject to the Terms and Conditions, as hereinafter defined:

AND WHEREAS EPC furnishes Retail Access Services pursuant to a Distribution Tariff approved by the Alberta Energy and Utilities Board (the "**Tariff**") which includes terms and conditions for the provision of services, including Retail Access Services (the "**Terms and Conditions**");

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the premises and agreements herein contained and other valuable consideration (the receipt and adequacy of this consideration by each of the parties hereto is acknowledged) the parties hereto agree as follows:

1. The Retailer will comply with the Tariff, including the Terms and Conditions, Rate Schedule and Fee Schedule.

2. The Retailer hereby acknowledges that EPC will be performing, conducting or providing services at the request of the Retailer, which services will be in addition to those services provided to the Retailer pursuant to the Tariff. The Retailer will, in respect of such services performed, conducted or provided by EPC at the request of the Retailer, pay to EPC the charges, fees and amounts as set out in the Fee Schedule, in respect of those services.

3. The Retailer hereby acknowledges that EPC may perform, conduct or provide services at the request of a customer of the Retailer. The Retailer will, upon written request by EPC, collect from the customer the charges, fees and amounts to be charged by EPC for its performing, conducting or providing such services at the request of the customer and remit same to EPC immediately upon receipt thereof.

4. The Retailer shall make any payments required or permitted to be made by the Retailer to EPC by electronic funds transfer pursuant to the Tariff, the Terms and Conditions or this Agreement to an account that will be specified by EPC.

5. When interacting with the "ENMAX System", the Retailer will comply with the ENMAX Systems Acceptable Use Policy, attached hereto as Schedule "A".

6. Neither EPC nor the Retailer may assign any of its rights or obligations under this Agreement, unless such assignment is made in accordance with and pursuant to Section 7.3 of the Terms and Conditions.

7. Default pursuant to this Agreement shall be governed by Section 17 of the Terms and Conditions.

8. The waiver of any term, condition, provision or right hereunder shall be governed by Section 7.2 of the Terms and Conditions.

9. Any modification to this Agreement shall be in writing, duly executed by an authorized officer of EPC and the Retailer, subject in all cases to applicable statutes and to the orders of the Board.

10. Any notices, demands, requests or other communications provided or given pursuant to this Agreement shall be in writing and given in accordance with Section 3.15 of the Terms and Conditions. Any notices, demands, requests or other communications required or permitted under the Terms and Conditions or this Agreement shall be given by EPC to the Retailer in accordance with Section 3.15 of the Terms and Conditions to the following addressee at the following address:

    [Retailer's address to be provided]

11. This Agreement shall be governed by the laws of the Province of Alberta and the federal laws of Canada applicable therein.

12. Capitalized terms used herein and not otherwise defined shall have the meaning ascribed thereto in the Terms and Conditions.

ENMAX POWER CORPORATION

Per: ______________________________
Name: ●
Title: ●

Per: ______________________________
Name: ●
Title: ●

[RETAILER]

Per: ______________________________
Name: ●
Title: ●

Per: ______________________________
Name: ●
Title: ●

Schedule "A"

ENMAX Systems Acceptable Use Policy

1. DEFINED TERMS:

ENMAX: Refers collectively to ENMAX Corporation and ENMAX Power Corporation, each being incorporated under the laws of Alberta and having offices at Calgary, Alberta, but shall not include ENMAX Energy Corporation;

ENMAX SYSTEM: Refers to and includes all websites, web pages, databases, systems, facilities and services accessible directly or indirectly through this internet host.

2. PARAMOUNTCY:

This Policy is binding on ENMAX and the Retailer pursuant to Section 5 of the Retail Access Services Agreement (the "Agreement"). This Policy is subject to the Agreement and to all applicable laws, including ENMAX's Distribution Tariff, and the Terms and Conditions under the Distribution Tariff, the *Electric Utilities Act* (including the Code of Conduct Regulation and all other Regulations made under that Act), and to the extent that this Policy is inconsistent with the Agreement or with any applicable law, the Agreement or applicable law shall prevail.

3. AMENDMENTS:

This Policy may be amended from time to time by ENMAX. ENMAX shall give at least 15 business days notice of such amendments to Retailer via the ENMAX System.

4. COPYRIGHT AND TRADEMARK NOTICES:

"ENMAX" and the ENMAX logo are registered trademarks of The City of Calgary and are used under license. Certain other names, words, titles, phrases, logos, icons, graphics or designs in the pages of the ENMAX System may constitute trademarks of ENMAX or of third parties. The display of such trademarks on pages at the ENMAX System does not imply that any license has been granted to any user of the ENMAX System.

All information and material on the ENMAX System, including but not limited to images, text and audio, is the property of ENMAX and is protected under the copyright laws of Canada. Retailer is entitled to view, copy and print any documents from the ENMAX System for internal business purposes only. Any sale, transmission or redistribution of the ENMAX System or its contents, and any copying, modification or other use of the ENMAX System or its contents for any other purpose, are strictly prohibited.

5. LIMITATION OF LIABILITY:

ENMAX endeavours to offer service that is easy to use, reliable, secure, and capable of meeting the Retailer's needs. From time to time, however, interruptions, errors or other deficiencies in service may occur. This may be due to a variety of factors, some of which are outside the control of ENMAX, including, but not limited to interruptions in the accessibility of the Internet, a system outage in facilities of a third party service provider, or heavy demand and high volumes of activity. Each of these factors can contribute to delays or errors in service or system outages. In addition to the limitations and obligations set out in Article 5 of the Terms and Conditions under ENMAX's Distribution Tariff, use of the ENMAX System is subject to the following terms and conditions:

(a) Neither ENMAX nor any third party owner, licensor or supplier of equipment, software, systems, services or facilities used or made available in connection with a service offered by ENMAX is liable for any representation, warranty or condition, whether express or implied, concerning the ENMAX System or the use thereof, including, without limitation, that the ENMAX System will meet Retailer's needs or that the ENMAX System will be available for use at any particular time or for any particular purpose or will operate error free. Without limiting the foregoing, all express or implied, direct or indirect representations, warranties and conditions in respect of the ENMAX System arising or implied by statute, common law, custom, usage of trade, course of performance, course of dealing or otherwise, including, but not limited to, any warranties or conditions of merchantable quality and fitness for a particular purpose are expressly excluded.

6. REGISTRATION:

As a condition of use of the ENMAX System:

(a) Retailer agrees to be responsible (financially and otherwise) for all of Retailer's or appointed agent's use of the ENMAX System, as well as the use of Retailer's account by others;

(b) Retailer agrees to be completely responsible for all charges, fees, taxes and assessments arising out of the use of Retailer's account to access the ENMAX System;

(c) Retailer agrees to supervise all usage of the ENMAX System under Retailer's name or account. Retailer is not permitted to assign or delegate, even temporarily, access to others without ENMAX's written approval and confirmation.

(d) Retailer agrees to:

    (i) provide true, accurate, current and complete information if prompted by the ENMAX System's registration form (such information being the "Registration Data"); and

    (ii) maintain and promptly update the Registration Data to keep it true, accurate, current and complete.

If Retailer provides any information that is untrue, inaccurate, not current or incomplete, or ENMAX has reasonable grounds to suspect that such information is untrue, inaccurate, not current or incomplete, ENMAX has the right to suspend use of the ENMAX System (or any portion thereof).

7. USE OF INFORMATION:

In the course of use of the ENMAX System, ENMAX may request that Retailer provides, or ENMAX may otherwise obtain, information about Retailer or Retailer's business activities. By using the ENMAX System, Retailer expressly consents to ENMAX using this information to assess the function and performance of the ENMAX System. Any such information which Retailer provides or which ENMAX otherwise obtains will be used solely by ENMAX and will not be sold or made available to third parties without Retailer's consent, with the exception of the third parties providing services to ENMAX, or in connection with ENMAX's provision or marketing of products and services to Retailer.

8. LINKS TO THIRD PARTY SITES:

The ENMAX System may contain hyperlinks to other Systems operated by parties other than ENMAX. Such Systems are publicly available and the hyperlinks to the Systems are provided for Retailer's reference only. ENMAX does not control such Systems and is not responsible for their content. ENMAX makes no representations or warranties concerning the content of such Systems. No authorization or sponsorship of such Systems or their sponsors is implied by ENMAX nor is there any affiliation between ENMAX and such sponsors do not endorse, authorize or sponsor the ENMAX System. Retailer agrees that it will use or rely on such Systems solely at its own risk and that ENMAX does not grant to Retailer any rights in respect of such Systems.

9. CONFIDENTIALITY:

Retailer agrees that it will maintain the confidentiality of the ENMAX System and that Retailer will not disclose or provide access to the ENMAX System or its contents to any person (other than Retailer's employees in connection with the performance of their duties in the course of employment with the Retailer), except as may be required by applicable law or regulation or by order of a court or regulatory authority.

10. MALICIOUS CODE:

When using the ENMAX System, it is up to Retailer or its appointed agent to take reasonable precautions to scan for computer viruses, worms, Trojan horses, and other items of a destructive nature. It is also up to Retailer to ensure that it has a complete and current backup of the information contained on its computer system prior to using the ENMAX System.

APPENDIX 2

ENMAX POWER CORPORATION

DISTRIBUTION TARIFF

TERMS AND CONDITIONS

INTERCONNECTION AGREEMENT

DATED __________

BETWEEN

____

AND

ENMAX POWER CORPORATION

ENMAX POWER CORPORATION

141 – 50th Avenue SE

Calgary, AB T2G 4S7

This **INTERCONNECTION AGREEMENT** is effective as of the ____ day of ________, 20__.

BETWEEN:

____
a company incorporated under the laws of Alberta, having its head office in Calgary, Alberta
(hereinafter referred to as the "Generator")

OF THE FIRST PART

- and -

ENMAX POWER CORPORATION,
a company incorporated under the laws of Alberta, having its head office at 141 – 50th Avenue SE, Calgary, Alberta

(hereinafter referred to as "EPC")

OF THE SECOND PART

WHEREAS pursuant to an Interconnection Application the Generator desires to interconnect to EPC's Facilities;

AND WHEREAS the terms and conditions upon which EPC provides Consumer Services to Customers are set forth in the Terms and Conditions forming part of EPC's Distribution Tariff (the words "Consumer Services" and "Customers" being defined in the Distribution Tariff);

AND WHEREAS the Distribution Tariff does not presently address the technical and operating requirements necessary to permit the safe and reliable interconnection of the Generator's Facility as contemplated in the Interconnection Application;

AND WHEREAS EPC is willing to consent to this interconnection under the following terms and conditions.

NOW THEREFORE this Agreement witnesses that:

1. Definitions

(a) In this Agreement, the expressions below will respectively have the meanings ascribed to them in EPC's Distribution Tariff's Terms and Conditions:

(i) **"Board"**;

(ii) **"EUA"**;

(iii) **"Facilities"**;

(iv) **"Force Majeure"**;

(v) **"Independent System Operator"** or **"ISO"**;

(vi) **"Interconnected Electric System"** or **"IES"**;

(vii) **"Islanded Operation"**;

(viii) **"Point of Common Coupling"** or **"PCC"**;

(ix) **"Power Pool"**;

(b) In this Agreement, the expressions below will respectively have the following meanings:

(i) **"AECUC"** means the Alberta Electrical and Communication Utility Code;

(ii) **"Affiliate"** has the meaning ascribed to it in the *Business Corporations Act* (Alberta);

(iii) **"Generator's Facility"** means all facilities including all transformers, switches, and connection and protective equipment required to produce and deliver power to the Point of Common Coupling from the Generator's generation source;

(iv) **"Generator Location"** means ________________, Calgary, Alberta;

(v) **"Interconnection Application"** means the application for interconnection submitted to EPC by the Generator prior to the execution of this Agreement, in a form prescribed by EPC. Upon execution of this Agreement by the parties, the Interconnection

Application will be deemed to be incorporated into and form part of this Agreement;

(vi) **"Operating Procedure"** means the written procedures attached to this Agreement as Schedule A;

(vii) **"Parties"** means the Generator and EPC collectively; and **"Party"** means either one of them;

(viii) **"Proprietary Information and Material"** means information and material which is proprietary to a Party and/or any of its Affiliates;

(ix) **"Prudent Electric Utility Industry Practices"** means the practices, methods and/or standards that are applicable and should be adopted at the relevant time by a person exercising that degree of knowledge, skill, diligence, prudence and foresight that would reasonably and ordinarily be expected from a skilled and experienced operator engaged in operating electric distribution systems under the same or similar circumstances. Prudent Electric Utility Practices is not restricted to the optimum practice, method or act, to the exclusion of all others, but rather comprises the spectrum of acceptable practices, methods or acts applicable to the circumstances;

(x) "**Tariff**" means ENMAX Power Corporation's Distribution Tariff; and

(xi) **"Transmission System"** has the meaning ascribed to it in the *EUA*;

2. EPC's Distribution Tariff

This Interconnection Agreement is subject to EPC's Distribution Tariff, including the Terms and Conditions under that Distribution Tariff, and the Terms and Conditions under EPC's Distribution Tariff are deemed to form part of this Interconnection Agreement.

3. Schedules

The following Schedules are attached to and form part of this Interconnection Agreement:

Schedule A: Operating Procedure

Schedule B: Interconnection Application

If there is an inconsistency between any schedule and the body of this Agreement, the former shall prevail.

4. Conditions

The Generator agrees that the following events must occur before the Generator will be permitted to activate its interconnection with EPC's Facilities:

(a) the Generator has signed this Interconnection Agreement with EPC; and

(b) the Generator's Facility is commissioned, and the interconnection between the Generator's Facility and EPC's Facilities is fully tested, to the reasonable satisfaction of EPC. EPC acknowledges that the testing procedure may require temporary interconnection of the Generator's Facility to EPC's Facilities, provided that such interconnection is carried out in conformity with all of the safety and other requirements of this Agreement and under EPC's direction or supervision.

5. Safety and Disconnection

(a) Without limiting any provision contained in the Tariff, the Generator will operate and maintain the Generator's Facility in compliance with:

(i) the EUA;

(ii) the Tariff;

(iii) the Canadian Electrical Code;

(iv) the Operating Procedure;

(v) EPC's Health and Safety Rulebook;

(vi) Prudent Electric Utility Industry Practices; and

(vii) any other applicable legislation, codes or standards of a public authority having jurisdiction.

(b) The Generator recognizes that the requirements imposed by (a) above may change from time to time, and it will comply with any changed requirements as soon as the changed requirements come into force.

(c) The Generator will design and construct the Generator's Facility so as to be capable of meeting the requirements of, and being operated and maintained in compliance with the Operating Procedure and with Prudent Electric Utility Industry Practices. The Generator will operate and maintain the Generator's Facility in strict compliance with the Operating Procedure and with Prudent Electric Utility Industry Practices.

(d) The Generator will install a disconnect device that complies with the Alberta Department of Energy's Distributed Generation Interconnection Guide, the ENMAX Power Generator Interconnection Guide and the Canadian Electrical Code as a means of isolating the Generator's Facility from EPC's Facilities.

(e) The Generator will operate and maintain the Generator's Facility in a manner that does not endanger or materially and adversely interfere with the general public, EPC's Facilities, the Interconnected Electric System, or EPC's employees, agents or customers.

(f) Notwithstanding any other provision of this Agreement, and without limiting any provision contained in the Tariff, EPC will have the right to disconnect the Generator's Facility from EPC's Facilities without notice, if in EPC's reasonable opinion, the Generator's Facility is in material breach of this Article 5. EPC may also disconnect the Generator's Facility to maintain, test or repair equipment safely, and will give reasonable prior notice of same to the Generator.

(g) The Generator is responsible for the design, supply, construction, operation and maintenance of all equipment on the Generator's side of the Point of Common Coupling necessary to provide protection to the Generator's Facility. The Generator acknowledges that the Generator's Facility must be designed and operated so that Islanded Operation of the Generator's Facility cannot occur under any circumstances while the Generator's Facility is connected to EPC's system, or a portion of EPC's system. The Generator further acknowledges that EPC's consent to the Interconnection Application does not in any manner constitute a representation that the design proposal contained in the Interconnection Application is sufficient to satisfy the obligations of the Generator pursuant to this Article 5.

(h) Joint safe work planning procedures will be followed where both parties are involved in work. Safe work routines described in Division D of the

AECUC will be followed in providing isolation for work on any part of the Interconnected Electric System.

6. Tariff

(a) The Generator will make all payments as required pursuant to the Tariff.

(b) The Generator acknowledges that the services to be provided by EPC pursuant to this Agreement shall also be deemed to be "Consumer Services" and "Distributed Generation Services" within the meaning of the Tariff. In the event of a conflict or an inconsistency between this Agreement and the Tariff, the Tariff will prevail to the extent of that inconsistency.

7. Inspection

EPC has the right, but not the duty, to inspect the Generator's Facility. This right of inspection will not relieve the Generator of responsibility for the safe design, construction, maintenance and operation of the Generator's Facility and all liability in connection therewith remains with the Generator. The Generator will provide reasonable access upon reasonable prior written notice to enable EPC to conduct such inspection.

8. Government Approvals

The Parties will use reasonable commercial efforts to obtain and maintain all applicable government orders, permits, approvals, and consents required by law to perform their obligations under this Agreement.

9. Insurance

(a) The Generator will purchase a general operating insurance program for the operation of the Generator's Facility that a prudent operator of a similar generator would maintain. The cost of obtaining and maintaining such operating insurance will be borne by the Generator.

(b) In respect of the insurance policies carried by the Generator under subsection 9(a) hereof, the following provisions will apply:

   (i) the policies will contain a waiver of subrogation in favour of EPC;

   (ii) the policies will provide for a minimum of $5,000,000 (or some such amount that is acceptable to EPC in its sole discretion), for each occurrence and in the aggregate, and will include a cross liability clause along with coverage for bodily injury and property damage; and

(iii) EPC will be included as an additional insured.

10. Dispute Resolution

Any dispute arising between the Parties shall be determined by arbitration in accordance with the Dispute Resolution provisions contained in the Tariff.

11. Continuity of Service

All performance required under this Agreement by EPC and the Generator and payment therefore during the dispute resolution proceedings contemplated by Section 10 hereof, will be governed by the continuity of services provisions contained in the Tariff.

12. Confidentiality

Each of EPC and the Generator:

(a) acknowledges that it will have access to Proprietary Information and Material with respect to this Agreement; and

(b) agrees that:

(i) it, its Affiliates, employees, agents, subcontractors, consultants and advisors will hold that Proprietary Information and Material in confidence, will access Proprietary Information and Material only on a need to know basis, and will not disclose any of that Proprietary Information and Material, or otherwise make any of that Proprietary Information and Material available to any third party without the prior written consent of the owner of such Proprietary Information and Material;

(ii) the Proprietary Information and Material:

(A) will be used only for the purposes of the performance of EPC's or the Generator's obligations under this Agreement;

(B) will not be reproduced or copied, in whole or in part, except as necessary for the performance of services under this

Agreement and only to the extent permitted by the owners of that Proprietary Information and Material (in the applicable contracts or expressly in writing); and

(C) will, together with any copies, reproductions or other records thereof, in any form, and all information and materials developed by EPC or the Generator therefrom, be returned to the Party that provided that Proprietary Information and Material, as the case may be, when no longer needed for the performance of EPC's or the Generator's obligations under this Agreement; and

(III) nothing herein contained will obligate either Party to disclose any Proprietary Information and Material to the other.

(c) Notwithstanding the foregoing, this Section 12 hereof will not apply to any Proprietary Information and Material if:

(i) it was in the public domain at the time of disclosure to EPC or the Generator, as the case may be, of that Proprietary Information and Material, or thereafter becomes part of the public domain through no fault of that Party;

(ii) it is later received from a third party having the legal right to disclose it;

(iii) it is required by applicable law, or by a governmental authority, to be disclosed, if the Party that provided the Proprietary Information and Material is given advance written notice of the recipient's intention to disclose that information based on that requirement and a reasonable amount of time (consistent with the requirement pursuant to which disclosure is to occur) in which to seek adequate protective orders;

(iv) it becomes available to a Party on a non-confidential basis provided that the source of the Proprietary Information and Material is not and was not bound by a confidentiality agreement with the other Party to hold that Proprietary Information and Material confidential; or

(v) the applicable Party consents to that disclosure.

(d) The Parties acknowledge the competitive value of the Proprietary Information and Material. Accordingly, each Party agrees that injunctive relief, specific performance, monetary damages and punitive damages may be appropriate remedies in the event of the unauthorized disclosure of Proprietary Information and Material.

13. General

(a) The Generator represents and warrants that it is the owner of the Generator's Facility.

(b) Any notice or other communication required or permitted to be given hereunder or for the purposes hereof to either Party will be in writing and will be sufficiently given if delivered personally to such Party, or if sent by pre-paid registered mail or if transmitted by facsimile transmission to such Party:

In the case of a notice to the Generator:

Attention:
Phone: (403)

In the case of a notice to EPC:

ENMAX Power Corporation
141 – 50th Avenue S.E.
Calgary, AB T2G 4S7
Attention: Vice President
Fax No.: 403 514 1412

with a copy to

ENMAX Corporation
141 – 50th Avenue SE
Calgary, AB T2G 4S7
Attention: Contract Management
Fax No.: 403 514 2891

or at such other address or facsimile number as the Party to whom such notice is to be given will have last notified (in the manner provided herein) the Party giving such notice. Any notice delivered to the Party to whom it is addressed as provided herein will be deemed to have been given and received on the day it is so delivered at such address, provided that if such day is not a business day, then the notice will be deemed to have been given and received on the business day next following such day. Any notice mailed to a Party will be deemed to have been given and received on the fifth (5th) business day next following the date of its mailing provided that no postal strike is then in effect or comes into effect within four (4) business days after such mailing. Any notice transmitted by facsimile will be deemed given and received on the day of its transmission if such day is a business day and if not, then on the next day that is a business day.

(c) This Agreement supersedes all agreements, oral or written, relating to the subject matter hereof, heretofore made by the Parties with respect to the subject matter hereof.

(d) This Agreement will be construed according to the laws of the Province of Alberta and the Parties hereby irrevocably attorn to the jurisdiction of the courts of Alberta.

(e) This Agreement will enure to the benefit of and be binding upon the Parties hereto, their successors and permitted assigns. The rights and remedies of the Generator and EPC under this Agreement are cumulative and in addition to any other rights and remedies that the Generator and EPC may have at law or in equity. Any dispute between the Parties, however, shall be resolved in accordance with the dispute resolution procedure set out in the Terms and Conditions forming part of the Tariff.

(f) The liabilities of the Generator and EPC for breach of any covenants, representations or warranties, and any obligations of the Generator and EPC under any indemnity contained in this Agreement will survive termination of this-Agreement except as otherwise expressly provided.

(g) No waiver by a Party of any breach of a provision of this Agreement will be binding upon such Party unless it is expressed in writing and duly executed by such Party, and such a waiver will not operate as a waiver of any future breach of a provision of this Agreement, whether of a like or different character.

(h) This Agreement may only be amended by a written agreement executed by both Parties.

(i) If any provision of this Agreement should be found to be invalid, illegal or unenforceable in any respect or in any circumstance, the legality or enforceability of such provision in any other respect or circumstance will not in any way be affected or impaired thereby and the validity, legality or enforceability of the remaining provisions of this Agreement will not in any way be affected or impaired thereby.

(j) Neither EPC nor the Generator will assign any of its rights or obligations under this Agreement without obtaining the prior written consent of the non-assigning party, which consent will not be unreasonably withheld. Any assignment in violation of this Section will be void. Notwithstanding the foregoing, EPC may assign any or all of its rights and obligations under this Agreement, without the Generator's consent, to any entity succeeding to all or substantially all of the assets of EPC, if the assignee agrees, in writing, to be bound by all of the terms and conditions hereof and if any necessary regulatory approvals are obtained.

(k) Time is of the essence of this Agreement.

IN WITNESS WHEREOF the Parties hereto have executed this Agreement under the hands of their proper officers as of the day and year first above written.

Per: ______________________
Name:
Title:

ENMAX POWER CORPORATION

Per: ______________________
Name:
Title:

SCHEDULE "A"

OPERATING PROCEDURE

Between

Insert Legal Name of Generator

(the "Generator")

and

ENMAX POWER CORPORATION

("EPC")

This Operating Procedure provides for the safe and orderly operation of the electrical facilities interconnecting the Generator's Facility at the Generator Location and EPC's Facilities.

This Operating Procedure does not supersede any requirements outlined in Government Regulations such as (but not limited to) the Alberta Electric and Communication Utility Code, the Canadian Electrical Code, the Power Pool of Alberta's Pool Operating Bulletins, the Independent System Operator's Operating Policies and Occupational Health and Safety Act, nor does it supersede any terms of the Interconnection Agreement between the Generator and EPC.

Attachments to this Procedure include:

a) EPC's Single Line Diagram titled ________________________________

b) Generator's Single Line Diagram titled ____________________________

1.0 Operating Authority:

The Operating Authority is the person identified by name or job title responsible to establish operating procedures and standards within their organization. The Operating Authority will ensure that timely updates are made to this document to reflect any changes to disconnect devices and any single line diagrams referenced in this document. The Operating Authorities for the Generator and EPC will ensure that the operators of the Generator's Facility and EPC's Facilities are competent in the operation of the electrical systems and are aware of the provisions of any operating agreements and regulations relating to the safe operation of electrical power systems.

The Operating Authority for __________________ is ______________________ (name and title), ________________________ _______(address and postal code) (403) ______________ (phone), (403) ________________ (fax).

The Operating Authority for EPC is Manager, System Operations, 141 – 50 Avenue S.E., Calgary, Alberta T2G 4S7, (403) 514-3078 (phone), (403) 514-2067 (fax).

2.0 Operator-in-Charge:

The Operator-in-Charge is the person identified by job title responsible for the real time operation of all electrical facilities related to the interconnection and owned by their organization.

The Operator-in-Charge for ____________________ (generator) is ________________ (name and title), ________________________________, (address and postal code) (403) __________________ (phone), (403) ______________(fax).

The Operator-in-Charge for EPC is the ENMAX System Control Center Operator, (403) 514-6133; (403) 514-2067 (fax).

3.0 Description of Operation:

a) The Generator's Facility consists of:

- Generators: ________________________
- Main disconnect device to the Distribution Facility: ______________________ **(ENMAX #__________________).**
- Over-frequency relay: ____ **secs @** _____ **Hz; instantaneous @** ________**Hz**
- Under-frequency relay: ____ **secs @** _____ **Hz; instantaneous @** ________**Hz**
- Over-voltage relay: >= _____ **cycles @** _____**% ; instantaneous @ >=**______%
- Under-voltage relay: >= _____ **cycles @** _____**% ; instantaneous @** >=______%
- Reverse power relay: ______________. **instantaneous @ =>** _________**amps**

b) EPC's Facilities consist of:

- Distribution line: (Circuit #) _______________
- Source substation and breaker number: ___________________
- Switching devices: (# Fuse Disconnect) ___________________

c) Brief description of operation:

This section is for the customer to complete. It should detail what the generator is being used for (Peak shaving, exporting, backup parallel operation etc…). It should also detail how the generator will be synchronized to the electrical system and how it is disconnected under normal operations and fault conditions.

d) **Switching Procedure to isolate Generator's Facility from EPC's Facilities:**

i) Open, check open, lock & tag, with an ENMAX tag, the ______________ @ Generator Location

ii) Open, check open & tag fused disconnect ____________________

e) **Switching Procedure to connect Generator's Facility to EPC's Facilities:**

i) Remove tag and close fuse disconnect ___________________

ii) Remove tag & unlock the ______________

iii) Inform the Generator's Operator-in-Charge that service has been restored.

iv) The Generator can close the____________.

f) **Synchronization:**

The facility is designed to operate interconnected to the grid, with synchronizing facilities provided on Generator-owned equipment. In the absence of outstanding clearances between the Operators-in-Charge, notice is not required to be given to EPC prior to synchronization taking place. It is recognized by the Generator that there are no synchronization schemes in place on EPC's Facilities, and that upstream EPC's Facilities contain automatic equipment that will provide for voltage regulation and automatic reclosure under some conditions.

g) **Anti-islanding Protection Scheme:**

In the event that EPC's supply to the Generator's Facility becomes de-energized, the Generation Facility will immediately disconnect from EPC's Facilities, so that it is fully isolated before automatic-reclosing devices on EPC's Facilities operate. The Generator acknowledges that it is responsible for damages incurred during an islanding event, if the Generator's facility fails to separate from EPC's Facilities.

4.0 Power Quality Standards:

The Generator must demonstrate its compliance with the following power quality requirements:

a) Voltage & Voltage Regulation:

The Generator's Facility will not adversely affect the voltage and voltage regulation on any part of EPC's Facilities. The generated voltage will follow, and not attempt to oppose or regulate, changes in the prevailing voltage level of EPC's Facilities, unless otherwise agreed to.

b) Voltage Fluctuations:

The Generator must not cause an unacceptable level of voltage fluctuation during starting, operation, or shutdown of its generating facility. EPC's standard for voltage flicker limits are shown in EPC's Power Quality Specifications and Guidelines for Customers.

c) Harmonics:

The Generator must not cause an unacceptable level of harmonics during operation of its generating facility. Limits on acceptable voltage and current distortion, are detailed in EPC's Power Quality Specifications and Guidelines for Customers.

5.0 Access:

EPC requires 24 hour, 7 day a week access to the Generator's Location for maintenance, operating and meter reading. A lock box will be installed at the customers location the will contain a key to its electrical room. The lock box will be mounted in a location that is accessible to EPC's crew. Access or inspections will be arranged between EPC's Operator-in-Charge and the Generator's Operator-In-Charge.

6.0 Notice of Changes to Protection & Control:

The Generator's Operating Authority will notify EPC's Operating Authority in writing of any intention to alter the settings on any protection and control devices which could affect EPC's Facilities and the final settings will be established by mutual agreement between EPC and the Generator.

ENMAX POWER CORPORATION	Legal Name of Generator
Per: ______________________	Per: ______________________
Name:	Name:
Title: Manager, System Operations	Title:

Per: __________________________
Name:
Title

SCHEDULE "B"

INTERCONNECTION APPLICATION

(See Attached)

ENMAX

ENMAX Power Corporation
Attention: Distributed Generation Engineer
Suite 1200
10201 Southport Road SW
Calgary, AB T2W 4X9

Application for Interconnection and Parallel Operation of Distributed Generation with the ENMAX Distribution Utility System

10356(2002-10-29)

Customer Information

FULL LEGAL COMPANY NAME		CONTACT PERSON	PHONE ( )
MAILING ADDRESS CITY	PROV. / STATE POSTAL CODE	SERVICE POINT ADDRESS CITY	PROV. / STATE POSTAL CODE
		ENMAX CUSTOMER SITE ID (found on your ENMAX Statement)	METER NUMBER

Information prepared and submitted by:

NAME	PHONE ( )	COMPANY NAME	
SIGNATURE	YYYY MM DD	ADDRESS CITY	PROV. / STATE POSTAL CODE

The following information shall be supplied by the Customer or Customer's designated representative. All applicable items must be accurately completed in order that the Customer's generating facilities may be effectively evaluated by ENMAX Power Corporat

Generator

NUMBER OF UNITS	MANUFACTURER	
MODEL NUMBER	NUMBER OF WIRES	CITY OF CALGARY ELECTRICAL PERMIT NUMBER

TYPE
☐ Synchronous ☐ Induction ☐ Inverter ☐ Other, *specify:*

FUEL SOURCE TYPE
☐ Natural Gas ☐ Solar ☐ Wind ☐ Other, *specify:*

TOTAL KILOWATT RATING FOR GENERATOR(S) REQUIRING APPROVAL (95° F OR 35° C AT LOCATION)	TOTAL KILOVOLT-AMPERE RATING FOR GENERATOR(S) REQUIRING APPROVAL (95° F OR 35° C AT LOCATION)

POWER FACTOR	VOLTAGE RATING	AMPERE RATING	NUMBER OF PHASES ☐ 1 ☐ 3

60 Hz FREQUENCY	PARALLEL	DO YOU PLAN TO EXPORT POWER?	MAXIMUM AMOUNT EXPECTED FOR EXPORT	EXPECTED ENERGIZING START-UP DATE	BUILDING SERVICE LOAD (ANTICIPATED)
☐ Yes	☐ Yes if "Yes" →	☐ Yes if "Yes" →	kW	YYYY MM DD	min.: kW
☐ No	☐ No	☐ No	kVA		max.: kW

NORMAL OPERATION OF INTERCONNECTION
☐ exporting & parallel ☐ non-exporting & parallel ☐ non-exporting & non-parallel
☐ other, *please describe:*

Checklist of supporting documentation

- ☐ single-line diagram attached showing protection legend & settings
- ☐ site electrical layout diagram attached
- ☐ Generator Manufacturer has supplied its dynamic modeling values to ENMAX if 500 kW or greater
- ☐ layout sketch showing location of lockable "Visible-Break Isolation Device"
- ☐ copy of Environmental Approval from Alberta Environment for all distributed generation over one megawatt
- ☐ copy of EUB approval for generation under one megawatt (General Bulletin GB 2000-3)
- ☐ all generation units meet federal and provincial air emission guidelines
- ☐ Coordination study initiated (required for final approval)

CUSTOMER NAME	TITLE
SIGNATURE	YYYY MM DD

Return completed form to address above, or fax to: 514-2648, or e-mail to: bdreyer@enmax.com

SCHEDULE C – ENMAX CORPORATION CODE OF CONDUCT

ENMAX Corporation
Code of Conduct

(Consists of 26 pages)

ENMAX Corporation

INTER-AFFILIATE CODE OF CONDUCT

OCTOBER 1, 2003

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Schedule A – Officers Certificate

Introduction to
ENMAX Corporation

Inter-Affiliate Code of Conduct

This ENMAX Code of Conduct follows the direction provided by the Alberta Energy and Utilities Board in Decision 2003-040 dated May 22, 2003. ENMAX has used the decision as a base and has highlighted those areas where an exemption from the requirements, due to differing circumstances, is being requested.

The Code being proposed for Board approval is provided on the following pages and includes the Schedule A Officer's Certificate as prescribed by the Board.

1. PURPOSE AND OBJECTIVES OF THE CODE

1.1 Purpose and Objectives of the Code

Purpose of the Code

The purpose of this Code is to establish standards and conditions for interaction between each ENMAX Utility and its Utility and Non-Utility Affiliates. This Code attempts to anticipate and adjust for the potential misalignment of interest between shareholders and Utility customers occasioned by Affiliate interactions through the establishment of parameters for transactions, information sharing and the sharing of services and resources, while permitting economies of scale and operating efficiencies.

These parameters are intended to:

a) prevent Utilities from cross-subsidizing Affiliate activities;

b) protect confidential customer information collected in the course of providing Utility services;

c) ensure Affiliates and their customers do not have preferential access to Utility services; and

d) avoid uncompetitive practices between Utilities and their Affiliates, which may be detrimental to the interests of Utility customers.

Objectives of Code

While the overall purpose of the Code is to establish standards and parameters which prohibit inappropriate Affiliate conduct, preferences or advantages, which may adversely impact the customers of regulated businesses, this purpose reflects several important underlying objectives, including:

a) creating a clearly defined set of rules designed to enhance inter-affiliate transparency, fairness and senior management accountability with respect to inter-affiliate interactions impacting regulated businesses;

b) providing an environment in which inter-affiliate economies and efficiencies can legitimately occur for the mutual advantage of both a Utility's customers and its shareholders;

c) developing support and respect for the Code by the employees, officers and directors of the ENMAX group of companies, which will in turn promote ratepayer confidence in the application of the Code; and

d) the creation of regulatory processes and cost efficiencies through the consistent application of a clear set of standards and reporting requirements to Utility inter-affiliate transactions, enhanced by a practical, resolution driven, dispute process.

Respect for the Code

Standards and rules alone, however, will always be insufficient to achieve the objectives of the Code. These objectives can only be fully realized through a demonstrated respect for the spirit and intent behind the words by those individuals to whom the Code applies.

1.2 Application

This Code is not meant to replace or modify in any manner, any statutory or regulatory requirements relating to Utilities.

2 General Provisions

2.1 Definitions

In this Code the following words and phrases shall have the following meanings:

a) "ABCA" means the Business Corporation Act, R.S.A. 2000, c. B-9.

b) "Affiliate" means with respect to any Utility:

  i) an "affiliate" as defined in the ABCA.

  ii) A unit or division within the Utility or any Body Corporate referred to in clause (b)(i) above;

  iii) A partnership, joint venture, or Person in which the Utility or any Body Corporate referred to in clause (b)(I) above has a controlling interest or that is otherwise subject or the control of the Utility or such Body Corporate;

  iv) Any partnership, joint venture, or Person deemed by the EUB to be an affiliate of the Utility for the purpose of this Code; and

v) An agent or other Person acting on behalf of any Body Corporate, operating division, partnership, joint venture or Person referred to in clauses (b)(i) to (iv) above

c) "Affiliated Party Transactions Summary" unless otherwise directed by the EUB, means in respect of any period of time, a summary overview of each type of business transaction or service, other than Major Transactions or Utility Services, performed by an Affiliate for a Utility or by a Utility for an Affiliate, which summary shall contain a general description of the transactions and services, the parties involved and the approximate aggregate value of each type of transaction or service during the said period.

d) "ENMAX" means any entity to which the Code applies pursuant to section 2.3 hereof.

e) "Body Corporate" means a "body corporate" as defined in the ABCA.

f) "Code" means this ENMAX Inter-Affiliate Code of Conduct.

g) "Compliance Officer" shall have the meaning ascribed thereto in section 7.3 hereof.

h) "Compliance Plan" shall mean the document to be prepared and updated by a Utility pursuant to section 7.5 hereof.

i) "Compliance Report" shall have the meaning ascribed thereto in section7.6 hereof.

j) "Confidential Information" means any information relating to a specific customer or potential customer of a Utility, which information the Utility has obtained or compiled in the process of providing current or prospective Utility Services and which is not otherwise available to the public.

k) "Cost Recovery Basis" with respect to:

i) the use by one Affiliate of another Affiliate's personnel, means the fully burdened costs of such personnel for the time period they are used by the Affiliate, including salary, benefits, vacation, materials, disbursements and all applicable overheads;

ii) the use by one Affiliate of another Affiliate's equipment, means an allocated share of capital and operating costs appropriate for the time period utilized by the Affiliate;

iii) the use by a Utility of an Affiliate's services, means the complete costs of providing the service, determined in a manner acceptable to the Utility, acting prudently;

iv) the use by an Affiliate of a Utility's services, means the complete costs of providing the service, determined in a manner acceptable to the Utility, acting prudently, and

v) the transfer of equipment, plant inventory, spare parts or similar assets between Utilities, means the net book value of the transferred assets.

l) "EUB" means the Alberta Energy and Utilities Board

m) "Fair Market Value" means the price reached in an open and unrestricted market between informed and prudent parties, acting at arms length and under no compulsion to act.

n) "For Profit Affiliate Service" means any service, provided on a for-profit basis:

i) by a Utility to a Non-Utility Affiliate, other than a Utility Service; or

ii) by a Non-Utility Affiliate to a Utility.

o) "Information Services" means any computer systems, computer services, databases, electronic storage services or electronic communication media utilized by a Utility relating to Utility customers or Utility operations.

p) "Major Transaction" means a transaction or series of related transactions within a calendar year between a Utility and an Affiliate relating to the sale or purchase of an asset(s) or to the provision of a service or a similar group of services, other than Utility Services, which has an aggregate value within that calendar year of $500,000 or more.

q) "Non-Utility Affiliate" means an Affiliate that is not a Utility.

r) "Occasional Services" shall have the meaning ascribed thereto in section 3.3.6 hereof.

s) "Person" means a "person" as defined in the ABCA.

t) "Services Agreement" means an agreement entered into between a Utility and one or more Affiliates for the provision of Shared Services or For Profit Affiliate Services and shall provide for the following matters as appropriate in the circumstances:

- i) the type, quantity and quality of service;
- ii) pricing, allocation or cost recovery provisions;
- iii) confidentiality arrangements;
- iv) the apportionment of risk;
- v) dispute resolution provisions; and
- vi) a representation by the Utility and each Affiliate party to the agreement that the agreement complies with the Code

u) "Shared Service" means any service, other than a Utility Service or a For Profit Affiliate Service, provided on a Cost Recovery Basis by a Utility to an Affiliate or by an Affiliate to a Utility.

v) "Subsidiary" shall have the meaning ascribed thereto in section 2(4) of the ABCA.

w) "Utility" means any Body Corporate or any unit or division thereof, that provides a Utility Service and falls within the definition of:

- i) "electric utility" under the Electric Utilities Act, S.A. 2003, c. E-5.1,
- ii) "gas utility" under the Gas Utilities Act, R.S.A. 2000, c. G-5; or
- iii) "public utility" under the Public Utilities Board Act, R.S.A. 2000. C. P-45.

x) "Utility Service" means a service, the terms and conditions of which are regulated by the EUB, and includes services for which an individual rate, joint rate, toll, fare, charge or schedule of them, have been approved by the EUB.

2.2 Interpretation

Headings are for convenience only and shall not affect the interpretation of this Code. Words importing the singular include the plural and vice versa. A reference to a statute, document or a provision of a document includes an amendment or supplement to, or a replacement of, that statute, document or that provision of that document.

2.3 To Whom this Code Applies

All Utilities directly or indirectly owned, controlled or operated by ENMAX Corporation are obligated to comply with this Code and all Affiliates of these Utilities are obligated to comply with the Code to the extent they interact with the Utilities.

2.4 Coming into Force

This Code comes into force October 1, 2004 provided however that, to the extent existing agreements or arrangements are in place between parties to whom this Code applies that do not conform with this Code, such agreements or arrangements must be brought into compliance with this Code on or before November 30, 2004.

2.5 Amendments to this Code

This Code may be reviewed and amended from time to time by the EUB on its own initiative, or pursuant to a request by any party to whom this Code applies or by any interested party.

2.6 Exemptions

A party to whom this Code applies may apply to the EUB for an exemption with respect to compliance with any provision of this Code. Any such application will specify if the requested exemption is in respect of a particular transaction, series of transactions, for a specified period of time, or is for a general exemption from a particular provision.

2.7 Authority of the EUB

Although this Code has been approved by the EUB such approval does not detract from, reduce or modify in any way, the powers of the EUB to deny, vary, approve with conditions, or overturn, the terms of any transaction or arrangement between a Utility and one or more Affiliates that may be done in compliance with this Code. Compliance with the Code does not eliminate the requirement for specific EUB approvals or filings where required by statute or by EUB decisions, orders or directions.

3 GOVERNANCE AND SEPARATION OF UTILITY BUSINESSES

3.1 Governance

3.1.1 Separate Operations

The business and affairs of a Utility should be managed and conducted separately from the business and affairs of its Non-Utility Affiliates, except as required to fulfill corporate governance, policy, and strategic direction responsibilities of a corporate group of businesses as a whole.

3.1.2 Common Directors

A Utility may have common directors with its Affiliates.

3.1.3 Separate Management

Subject to section 3.1.4 hereof, a Utility must have a separate management team and separate officers from its Non-Utility Affiliates, but may share management team members or officers with other Affiliated Utilities.

3.1.4 Separate Management Exception

Officers of a Utility may also be officers of any Affiliate of which the Utility is a Subsidiary or of any Affiliate that is a Subsidiary of the Utility, as may be required to perform corporate governance, policy and strategic direction responsibilities of an affiliated group of businesses.

3.1.5 Guiding Principle

Notwithstanding sections 3.1.2, 3.1.3 and 3.1.4 hereof, an individual shall not act both as a director, officer or member of a management team of a Utility and as a director, officer or member of a management team of any other Affiliate (thereby acting in a dual capacity) unless the individual is able to carry out his/her responsibilities in a manner that preserves the form, and the spirit and intent, of the Code. In particular, an individual:

(a) shall not agree to act in a dual capacity if it could reasonably be considered to be detrimental to the interests of customers of the Utility, and

(b) if acting in a dual capacity, shall abstain from engaging in any activity that could reasonably be considered to be detrimental to the interests of customers of the Utility.

3.2 Degree of Separation

3.2.1 Accounting Separation

A Utility shall ensure accounting separation from all Affiliates and shall maintain separate financial records and books of accounts.

3.2.2 Physical Separation

A Utility shall be located in a separate building, or shall otherwise be physically separated from all Non-Utility Affiliates through the use of appropriate security-controlled access.

3.2.3 Separation of Information Services

Where a Utility shares Information Services with an Affiliate, all Confidential Information must be protected from unauthorized access by the Affiliate. Access to a Utility's Information Services shall include appropriate computer data management and data access protocols as well as contractual provisions regarding the breach of any access protocols. Compliance with the access protocols shall be periodically confirmed by the Utility, through a review that complies with the provisions of the Canadian Institute of Chartered Accountants Handbook and updates thereto.

3.2.4 Financial Transactions with Affiliates

A Utility shall ensure that any loan, investment, or other financial support provided to a Non-Utility Affiliate is provided on terms no more favorable than what that Non-Utility Affiliate would be able to obtain as a stand-alone entity from the capital markets.

3.3 Resource Sharing

3.3.1 Sharing of Employees

A Utility may share employees on a Cost Recovery Basis with an Affiliate provided that the employees to be shared:

(a) do not have access to Confidential Information;

(b) do not routinely participate in making decisions with respect to the provision of Utility Services or how Utility Services are delivered;

(c) do not routinely deal with or have direct contact with customers of the Utility; and

(d) are not, subject to the provisions of section 3.1.4 hereof, routinely involved in operating, planning or managing the business of the Utility.

3.3.2 Transferring of Employees

A Utility may transfer employees to or from an Affiliate, provided any employee transferred by the Utility who had access to Confidential Information shall execute a confidentiality agreement with respect to such Confidential Information prior to the transfer.

3.3.3 Sharing of Assets

The plant, assets and equipment of a Utility shall be separated in ownership and separated physically from the plant, assets and equipment of other Non-Utility Affiliates. Utility Affiliates may share ownership and may physically share office space, equipment, rights-of-way and other assets on a Cost Recovery Basis.

3.3.4 Shared Services Permitted

Where a Utility determines it is prudent in operating its Utility business to do so, it may obtain Shared Services from, or provide Shared Services to, an Affiliate. Utilities shall periodically review the prudence of continuing Shared Services arrangements with a view to making any necessary adjustments to ensure that each of the Utilities and its Affiliates bears its proportionate share of costs.

3.3.5 Services Agreement

A Utility shall enter into a Services Agreement with respect to any Shared Services it provides to, or acquires from, an Affiliate.

3.3.6 Occasional Services Permitted

Where a Utility has otherwise acted prudently, a Utility may receive, or provide, one-off, infrequent or occasional services ("Occasional Services") to, or from, an Affiliate on a Cost Recovery Basis, documented by way of work order, purchase order or similar instrument. In the event that occasional services become material as to value, frequency or use of resources, the Utility shall enter into a Services Agreement with the Affiliate for Shared Services.

3.3.7 Emergency Services Permitted

In the event of an emergency, a Utility may share services and resources with an Affiliate without a Services Agreement on a Cost Recovery Basis.

4 TRANSFER PRICING

4.1 For Profit Affiliate Services

Where a Utility determines it is prudent in operating its Utility business to do so, it may obtain For Profit Affiliate Services from an Affiliate or provide For Profit Affiliate Services to an Affiliate.

If a Utility intends to outsource to an Affiliate a service it presently provides for itself, the Utility shall, in addition to any other analysis it may require to demonstrate the prudence of a For Profit Affiliate Services arrangement, undertake a net present value analysis appropriate to the life cycle or operating cycle of the service involved.

Each Utility shall periodically review the prudence of continuing For Profit Affiliate Services arrangements.

4.2 Pricing For Profit Affiliate Services

4.2.1 Utility Acquires For Profit Affiliate Service

When a Utility acquires For Profit Affiliate Services it shall pay no more than the Fair Market Value of such services. The onus is on the Utility to demonstrate that the For Profit Affiliate Services have been acquired at a price that is no more than the Fair Market Value of such services.

4.2.2 Utility Provides For Profit Affiliate Service

When a Utility provides For Profit Affiliate Services, it shall not charge less than the Fair Market Value of such services. The onus is on the Utility to demonstrate that the For Profit Affiliate Services have been charged at a price that is not less than the Fair Market Value of such services.

4.3 Services Agreement

A Utility shall enter into a Services Agreement with respect to any For Profit Affiliate Services it acquires or provides.

4.4 Asset Transfers

Subject to section 4.6 hereof, assets transferred, mortgaged, leased or otherwise disposed of by a Utility to an Affiliate or by an Affiliate to a Utility shall be at Fair Market Value.

4.5 Determination of Fair Market Value

In demonstrating that Fair Market Value was paid or received pursuant to a For Profit Affiliate Service arrangement or a transaction contemplated by sections 4.1, 4.2 and 4.4 hereof, the Utility, subject to any prior or contrary direction by the EUB, may utilize any method to determine Fair Market Value that it believes appropriate in the circumstances. These methods may include, without limitation: competitive tendering, competitive quotes, bench-marking studies, catalogue pricing, replacement cost comparisons or recent market transactions. The Utility shall bear the onus of demonstrating that the methodology or methodologies utilized in determining the Fair Market Value of the subject goods or services was appropriate in the circumstances.

4.6 Asset Transfer Between Utilities for Operational Efficiencies

Where operational efficiencies between Utilities that are Affiliates can be obtained through the use of common facilities (such as shared warehousing or field offices), combined purchasing power or through the use of other cost saving procedures, individual assets or groups of assets used in Utility operations (such as equipment, plant inventory, spare parts or similar assets) may be transferred in the ordinary course of business between Utilities on a Cost Recovery Basis. All such transactions shall be properly accounted for on the books of the Utilities involved.

5 EQUAL TREATMENT WITH RESPECT OF UTILITY SERVICES

5.1 Impartial Application of Tariff

A Utility shall apply and enforce all tariff provisions relating to Utility Services impartially, in the same timeframe, and without preference in relation to its Affiliates and all other customers or prospective customers.

5.2 Equal Access

A Utility shall not favor any Affiliate with respect to access to information concerning Utility Services or with respect to the obtaining of, or the scheduling of, Utility Services. Requests by an Affiliate or an Affiliate's customers for access to Utility Services shall be processed and provided in the same manner as would be processed or provided for other customers or prospective customers of the Utility.

5.3 No Undue Influence

A Utility shall not condition or otherwise tie the receipt of Utility Services to a requirement that a customer must also deal with an Affiliate. Each Utility shall ensure that its employees do not, explicitly or by implication, suggest that an advantage will accrue to a customer in dealing with the Utility if the customer also deals with an Affiliate of the Utility.

5.4 Affiliate Activities

A Utility shall take reasonable steps to ensure that an Affiliate does not imply in its marketing material or otherwise, favored treatment or preferential access to Utility Services. If the Utility becomes aware of any such inappropriate activity by an Affiliate, it shall:

(a) immediately take reasonable steps to notify affected customers of the violation;

(b) take necessary steps to ensure the Affiliate is aware of the concern; and

(c) inform the EUB in writing of such activity and the remedial measures that were undertaken by the Utility.

5.5 Name and Logo

A Utility shall take reasonable steps to ensure that an Affiliate does not use the Utility's name, logo or other distinguishing characteristics in a manner, which would mislead consumers as to the distinction or lack of distinction between the Utility and the Affiliate.

5.6 Access to Shared and Occasional Services

A Utility is not required to provide Non-Affiliated parties with equal access to Shared Services or Occasional Services.

6 CONFIDENTIALITY OF INFORMATION

6.1 Utility Information

Subject to section 6.2 hereof, a Utility shall not provide Non-Utility Affiliates with information relating to the planning, operations, finances or strategy of the Utility or of an Affiliated Utility before such information is publicly available.

6.2 Management Exception

Officers of a Utility who are also officers of an Affiliate as permitted pursuant to section 3.1.4 hereof may disclose, subject to the provisions of section 3.1.5 hereof, Utility planning, operational, financial and strategic information to the Affiliate to fulfill their responsibilities with respect to corporate governance, policy and strategic direction of an affiliate group of businesses, but only to the extent necessary and not for any other purpose.

6.3 No Release of Confidential Information

Subject to section 10 of the Code of Conduct Regulation, a Utility shall not release to an Affiliate Confidential Information relating to a customer or prospective customer. Subject to subsection 10(3) of the Code of Conduct Regulation, such Confidential Information may be disclosed to an Affiliate in connection with a disclosure required:

(a) For the purpose of a court proceeding or a proceeding before a quasi-judicial body to which the customer is a party.

(b) For the purpose of complying with a subpoena, warrant, or order issues or made by a court, person or body having jurisdiction to compel the production of information or with a rule of court that relates to the production of information.

(c) To a municipal or provincial police service for the purpose of investigating an offence involving the customer, if the disclosure is not contrary to the express request of the customer;

(d) By law or by an order of a government or agency having jurisdiction over the Utility; or

(e) For the purpose of providing Shared Services or For Profit Affiliate Services to the Affiliate or for the purpose of receiving Shared Services or For Profit Affiliate Services from the Affiliate; provided appropriate measures are first put in place by the Affiliate to protect the Confidential Information and the Confidential Information is used by the Affiliate only for the purpose intended by the Utility.

6.4 Aggregated Confidential Information

A Utility may disclose Confidential Information when aggregated with the Confidential Information of other customers in such a manner that an individual customer's Confidential Information can not be identified, provide that the Utility shall not disclose such aggregated customer information to an Affiliate prior to making such information publicly available.

7 COMPLIANCE MEASURES

7.1 Responsibility for Compliance

Each Utility shall be responsible for ensuring compliance with this Code.

7.2 Communication of Code

Each Utility shall:

(a) communicate the contents of the Code, and any modifications to it from time to time, to each of its directors, officers, employees, consultant, contractors, agents and Affiliates; and

(b) make the Code available on the Utility's web site.

7.3 Compliance Officer

Each Utility shall appoint a compliance officer (the "Compliance Officer"). The same individual may be the Compliance Officer for more than one Utility. The Utility shall ensure that the Compliance Officer is an officer of the Utility and has adequate resources to fulfill his or her responsibilities.

7.4 Responsibilities of the Compliance Officer

The responsibilities of the Compliance Officer shall include:

(a) providing advice and information to the Utility for the purpose of ensuring compliance with this Code;

(b) monitoring and documenting compliance with the Code by the Utility, its directors, officers, employees, consultants, contractors and agents;

(c) monitoring and documenting compliance with the Code by Affiliates of the Utility with respect to the interactions of the Affiliates with the Utility;

(d) providing for the preparation and updating, of a Compliance Plan for the Utility pursuant to section 7.5 hereof;

(e) filing the Compliance Plan and any modifications or replacement with the EUB, posting the Compliance Plan on the Utility's website and advising interested parties promptly when the Compliance Plan, or any modifications or replacements, have been posted on the website;

(f) performing an annual review, starting with year 2004, of compliance with the Compliance Plan and preparing an annual compliance report ("Compliance Report") containing the information required in section 7.6 hereof. The Compliance Officer shall file the Compliance Report with the EUB within 120 days of the fiscal year end of the Utility with respect to the immediately preceding fiscal year, post the Compliance Report on the Utility's website, and advise interested parties promptly when the Compliance Report has been posted on the website;

(g) receiving and investigating internal and external disputes, complaints and inquiries with respect to the application of, and alleged non-compliance, with the Code in accordance with section 8 hereof;

(h) recommending to the Utility measures required to address events of non-compliance with the Code; and

(i) maintaining adequate records with respect to all aspects of the Compliance Officer's responsibility.

7.5 The Compliance Plan

Each Utility shall prepare a Compliance Plan. The Compliance Plan shall detail the measures, policies, procedures and monitoring mechanisms that the Utility will employ to ensure its full compliance with the provisions of the Code by the Utility, its directors, officers, employees, consultants, contractors and agents, and by Affiliates of the Utility with respect to the interactions of the Affiliates with the Utility. The Utility shall review and update the Compliance Plan at least annually.

7.6 The Compliance Report

The compliance Report shall include the following information prepared in respect to the period of time covered by the Compliance Report:

(a) a copy of the Compliance Plan and any amendments thereto;

(b) a corporate organization chart for the Utility and its Affiliates indicating relationships and ownership percentages;

(c) a list of all Affiliates with whom the Utility transacted business, including business addresses, a list of the Affiliates' officers and directors, and a description of the Affiliates' business activities;

(d) a list of all Services Agreements in effect at any time during such period;

(e) an overall assessment of compliance with the Code by the Utility, including compliance by the directors, officers, employees, consultants, contractors and agents of the Utility and by Affiliates of the Utility with respect to the interactions of the Affiliates with the Utility;

(f) an assessment of the effectiveness of the Compliance Plan and any recommendations for modification thereto;

(g) in the event of any material non-compliance with the Code, a comprehensive description thereof and an explanation of all steps taken to correct such non-compliance;

(h) subject to the confidentiality provisions of section 8.1 hereof, a summary of disputes, complaints and inquiry activity during the year;

(i) a list and detailed description of all Major Transactions between the Utility and its Affiliates;

(j) an Affiliated Party Transactions Summary;

(k) a summary description together with an estimated aggregate value for each Occasional Service provided by the Utility to an Affiliate and by Affiliates to the Utility.

(l) a summary list of any exemptions granted to this Code or exceptions utilized, including the exception for emergency services;

(m) a list of all employee transfers, temporary assignments and secondments between a Utility and its Affiliates, detailing specifics as to purpose, dates and duration of such employee movements; and

(n) two certificates, each in the form attached as Schedule "A" attached to this Code, attesting to completeness of the Compliance Report and compliance with the Code, one certificate signed by the Compliance Officer and a second certificate signed by the highest ranking operating officer of the Utility.

7.7 Documents to be Provided to the EUB upon Request

If required by the EUB, a Utility shall provide the EUB with a copy of any document referred to in a Compliance Report or other supporting records and material.

7.8 Compliance Records and Audit

The records required to be maintained by the Compliance Officer pursuant to section 7.4(i) hereof shall be retained for a period of at least six years. Compliance records shall be maintained in a manner sufficient to support a third party audit of the state of compliance with the Code by the Utility, its directors, officers, employees, consultants, contractors and agents, and by Affiliates of the Utility with respect to the interactions of the Affiliates with the Utility. Subjects to the confidentiality provisions of section 8.1 hereof, all such records shall be made available for inspection or audit as may be required by the EUB from time to time.

8 DISPUTES, COMPLAINTS AND INQUIRIES

8.1 Filing with the Compliance Officer

Disputes, complaints or inquiries from within the Utility or from external parties respecting the application of, or alleged non-compliance with, the Code shall be submitted in writing to the Compliance Officer and may be made confidentially. The identity of the party making the submission to the Compliance Officer shall be kept confidential by the Compliance Officer unless the party otherwise agrees.

8.2 Processing by Utility

8.2.1 Compliance Officer Acknowledgment

The Compliance Officer shall acknowledge all disputes, complaints or inquiries in writing within five working days of receipt.

8.2.2 Disposition

The Compliance Officer shall respond to the dispute, complaint or inquiry within 21 working days of its receipt. The response shall include a description of the dispute, complaint or inquiry and the initial response of the Utility to the issues identified in the submission. The Utility's final disposition of the dispute, complaint or inquiry shall be completed as expeditiously as possible in the circumstances, and in any event within 60 days of receipt of the disputed, complaint or inquiry, except where the party making the submission otherwise agrees.

8.3 Referral to the EUB

In the event:

(a) a Utility fails to abide by the process identified in section 8.2 hereof;

(b) the Utility or a party is unsatisfied with the resolution of a dispute, complaint or inquiry following the conclusion of the section 8.2 process; or

(c) of an urgent and significant matter, where there is a reasonable expectation that a party's position may be prejudiced by allowing the process contemplated by section 8.2 to operate

the Utility (subject to the confidentiality provisions of section 8.1 hereof) or a party with a dispute, complaint or inquiry may refer the matter to the EUB for consideration. A referral to the EUB must be in writing and shall describe the complaint or inquiry and must include the response, if any, of the Utility to the submission.

9 NON-COMPLIANCE WITH THE CODE

9.1 Non- Compliance

Any non-compliance with the Code by any director, officer, employee, consultant, contractor or agent of a Utility or by an Affiliate (or any director, officer, employee, consultant, contractor or agent of an Affiliate) with respect to the interactions of the Affiliate with the Utility will be considered to be non-compliance by the Utility.

9.2 Consequences for Non-Compliance with Code

Non-compliance with this Code after effective date of October 1, 2004 for subsequent periods, could be considered as prima facie evidence in a regulatory proceeding of inappropriate conduct by a Utility or of an inappropriate transaction, expense or activity by the Utility. Non-compliance with the Code by a Utility shall subject the Utility to the full range of powers and authorities of the EUB. Non-compliance with the Code by a director, officer, employee, consultant, contractor or agent of a Utility may subject such individual to disciplinary action by the Utility

SCHEDULE A – OFFICERS CERTIFICATE

OFFICER'S CERTIFICATE

To: The Alberta Energy and Utilities Board

I, ______________________________ of the City of ________________, in the Province of Alberta, acting in my position as an officer of ________________ (the Utility) and not in my personal capacity, to the best of my knowledge do hereby certify as follows:

1. My position with the Utility is ________________________________, and as such I have personal knowledge of, or have conducted due inquiry of individuals who have personal knowledge of, the facts and matters herein stated.

2. Capitalized terms used herein (which are not otherwise defined herein) shall have the meanings ascribed thereto in the ENMAX CORPORATION INTER-AFFILIATE CODE OF CONDUCT (the Code).

3. I have read the Code, the Compliance Plan of the Utility dated __________, and the Compliance Report of the Utility dated ___________.

4. The form and contents of the Compliance Report comply with the requirements of the Code and the matters reported therein are fully and accurately described.

5. I am not aware of any material non-compliance with the provisions of the Code by any director, officer, employee, consultant, contractor or agent of the Utility, or by any Affiliate of the Utility (including any director, officer, employee, consultant, contractor or agent of the Affiliate) with respect to any interaction between an Affiliate and the Utility that is not fully and accurately described in the Compliance Report.

Name: ___________________________

Title: ___________________________

Date: ___________________________

1.1 Transfer Pricing

1.1.1 Introduction

ENMAX has developed a comprehensive plan which sets out the mechanisms and procedures that it uses to ensure that all of its personnel comply with the Code of Conduct Regulation (the "Plan"). This Plan became effective on January 1, 2001. A new Compliance Plan, intended to comply with the 2003 *Code of Conduct Regulation*, in effect as of June 1, 2003, is currently being drafted and will be filed on or before December 31, 2003. In particular, the Plan describes how ENMAX will ensure that the revenue from the provision of regulated services will not subsidize affiliated retail services. The Plan is supported and supplemented by ENMAX's Inter-affiliate Transfer Pricing Policy (the "Policy"). This Policy is part of formal communication and ongoing education to all ENMAX personnel and is reproduced in the next sub-section.

1.1.2 ENMAX's Inter-Affiliate Transfer Pricing Policy

This is one of a series of ENMAX policies that concern the *Code of Conduct Regulation* and the responsibility of ENMAX employees to ensure that ENMAX meets regulatory requirements for fair competitive practices. These policies govern the relationship among EPC, EEC and ENMAX.

Failure to comply with the Code policies could have serious consequences for ENMAX and the employee. The consequences for the employee may not be limited to termination of employment. Employees who are unsure about the application of this policy in a specific circumstance are responsible for obtaining guidance from:

- Their supervisor or any member of management.
- The Compliance Leader[1] (available by e-mail at: codeofconduct@enmax.com).
- The Manager, Corporate Secretariat.

In accordance with the *Code of Conduct Regulation* (the "Code"), EPC does not subsidize the operations of EEC. Business units may share services, purchases and research expenses providing the regulated and non-regulated businesses each receive and report their portion of the costs.

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[1] "Compliance Leader" is a role assigned by the Vice-President, Legal and Corporate Affairs.

Separation of accounts

EPC maintains accounts and records separate from ENMAX Corporation, EEC and any other business units. The accounts must be kept in accordance with generally accepted accounting principles, and any guidelines or system of record keeping required by the Market Surveillance Administrator or the applicable supervisory authority under the Code. These records are subject to audit examination for compliance with all applicable standards.

Shared services and joint purchases

Most costs of EPC and EEC are managed within the business units. However, there are costs that are managed through ENMAX Corporation or as joint purchases.

The cost to provide corporate services, where the cost can be attributed to the business units on the basis of cost drivers, is allocated to EPC and EEC by Financial Services. The allocation is made at rates that are either cost or fair market value and are applied consistently to both business units. This allocation is done monthly.

All costs incurred by ENMAX Corporation are allocated to EPC and EEC.

EPC and EEC are permitted by the Code to make joint purchases, and to share costs, fees or payments associated with research and development activities or investment in advanced technology research. Any expenses incurred jointly or shared are priced, reported and conducted in a manner that clearly distinguishes the expenses borne by EPC from the expenses borne by other business units. An employee who purchases goods or services is responsible for providing sufficient information to Financial Services for the appropriate allocation of costs to the business units. If in doubt, seek advice from Financial Services.

The procedure for making joint purchases is set out in the Compliance Plan. Financial Services maintains a record of all joint purchases, and provides management with a regular report of the number of purchases and the associated value.

Assets transferred

Transfer of assets to or from EPC requires written authorization of the Vice-President, Operations, ENMAX Corporation and EPC, and the vice-president of the other business unit. Higher authority is required where the market value of the assets exceeds the purchasing authority of the vice-president. For assets of lesser value, the vice-president may delegate the authority in writing.

A record will be maintained of the assets in the regulated business.

Financial Services maintains a record of:

- Goods and services transferred between EPC and other business units.
- The value at which the goods and services are transferred and the date of the transfer.

This record is retained for a period of at least three years.

Transfer costs

Goods and services must not be transferred from EPC to EEC at a value that is less than fair market value, or from EEC to EPC at a value that is more than fair market value. If the price of a good or service is regulated by a municipal, provincial or federal agency, the regulated price is deemed to be fair market value. If there is no regulated price, then documentation on its market value must be maintained for audit examination to support the assignment of value to the transferred entity.

1.2 Affiliate Transactions

EPC has business arrangements with ENMAX, EEC, EPSC and the City of Calgary. EPC uses shared services provided by ENMAX. These services are described in Section 4.1.5. EEC provides RRT and Default Spplier services, which EPC makes available to customers who have not chosen a competitive option for their electricity supply. EEC's role and practices are described in detail in EPC's 2004 RRT application (Application no. 1306818) to the Board. EPSC provides construction service to EPC in instances where EPSC's capabilities can augment those of EPC. EPC provides meter reading services to the City of Calgary for water customers. EPC follows the inter-affiliate transfer pricing policy presented in Section 9.5 for all of these transactions.

Decision 2003-092

EUB

ENMAX Corporation Inc.

2004 Distribution Tariff Application
Part A: 2004 Interim Distribution Tariff

Errata of Decision 2003-084

November 25, 2003

Alberta Energy and Utilities Board

Decision 2003-092

ENMAX Corporation Inc.

2004 Distribution Tariff Application
Part A: 2004 Interim Distribution Tariff

Errata of Decision 2003-084

November 25, 2003

ALBERTA ENERGY AND UTILITIES BOARD
Decision 2003-092: ENMAX Power Corporation
2004 Distribution Tariff Application
Part A: 2004 Interim Distribution Tariff
Errata of Decision 2003-084
Application No. 1306819

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ALBERTA ENERGY AND UTILITIES BOARD
Calgary Alberta

ENMAX POWER CORPORATION
2004 DISTRIBUTION TARIFF APPLICATION
PART A: 2004 INTERIM DISTRIBUTION TARIFF
ERRATA OF DECISION 2003-084

Decision 2003-092
Application No. 1306819
File No. 1210-1

The Alberta Energy and Utilities Board (Board) issued Decision 2003-084 on November 14, 2003. Inter alia, Decision 2003-084 approved an interim Distribution Tariff for ENMAX Power Corporation for 2004.

The Board later discovered a typographical error in that the Fee Schedule that the Board approved on an interim basis in Decision 2003-084 had not been attached in Schedule B to the Decision.

The Fee Schedule in Schedule B of this errata Decision is the Fee Schedule that the Board approved on an interim basis on page 18 Decision 2003-084 and intended to attach as part of Schedule B to Decision 2003-084.

Therefore, the Board considers that Schedule B of this errata Decision should constitute Schedule B of Decision 2003-084.

Accordingly, Schedule B of Decision 2002-084 should be replaced with the Terms and Conditions and Fee Schedule that together constitute the corrected Schedule B of this errata Decision.

DATED in Calgary, Alberta on November 25, 2003.

ALBERTA ENERGY AND UTILITIES BOARD

N. W. MacDonald

N.W. MacDonald, P.Eng
Presiding Member

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R. G. Lock, P. Eng.
Member

J. I. Douglas, FCA
Member

SCHEDULE B – EPC DT TERMS AND CONDITIONS (UPDATED)

"Schedule B - Terms
and Conditions.doc"

(Consists of 86 pages)

"EPC DT T&C Fee
Schedule.doc"

(Consists of 4 pages)

ENMAX Power Corporation
Distribution Tariff
Terms and Conditions

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PART A: GENERAL

1.0 DEFINITIONS

The following words and phrases, whenever used in these Terms and Conditions, a Rate Schedule, a Fee Schedule, a Retail Access Services Agreement or an Interconnection Agreement, shall have the respective meanings set out below:

(a) **"Billing Demand"** means the greater of:

  (i) highest kVA demand in the last 12 months; or

  (ii) kVA of capacity contracted for by the Customer;

(b) **"Billing Period"** means a period of time starting on the first day of a monthly cycle at 00:00 hours and ending on the last day of the same monthly cycle at 24:00, during which a Customer is supplied with Distribution Access Service by EPC;

(c) **"Board"** means the Alberta Energy and Utilities Board;

(d) **"Business Day"** means any day other than a Saturday, Sunday or a Statutory holiday in the Province of Alberta;

(e) **"Connected Load"** means in relation to a Site, the sum of the capacities or ratings of the Energy consuming apparatus connected to EPC's Electric Distribution System at the Site;

(f) **"Consumer Services"** means services provided by EPC to Customers, which will allow for the supply of or distribution of Energy to the Customer's facilities in accordance with Section 18.0 of these Terms and Conditions;

(g) **"Customer"** means a Person purchasing electricity for the Person's own use;

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(h) **"De-energize"** means the de-energization of metering or electrical equipment to the Electric Distribution System that prevents Energy from flowing to the Site;

(i) **"Default Supplier"** means a Retailer appointed as a default supplier by an owner under section 3(1) of the Roles, Relationships and Responsibilities Regulation made under the *EUA*;

(j) **"Demand"** means the rate at which Electric Energy is delivered to or by a system (expressed in kilowatts or kilovolt amperes) at a given instant or average over any designated period of time;

(k) **"Developer"** means a Person developing the land on which the electrical facilities are being installed;

(l) **"Distributed Generation"** means a generating unit that is interconnected with an Electric Distribution System;

(m) **"Distributed Generator"** means a Person who delivers Energy to EPC's Facilities in accordance with Section 21.0 of these Terms and Conditions;

(n) **"Distributed Generation Interconnection Services"** means services provided by EPC which will allow for the Distributed Generator's delivery of Energy to EPC's Facilities in accordance with Section 21.0 of these Terms and Conditions;

(o) **"Distribution Access Service"** means the service required to transport electricity by means of an Electric Distribution System

(i) to Customers; or

(ii) from a Distributed Generator to the Interconnected Electric System,

and includes any services the owner of the Electric Distribution System is required to provide by the Board or is required to provide under the *EUA* or the regulations, but does not include the provision of electricity services to eligible Customers under a regulated rate tariff;

(p) **"EIP"** means EPC's Enrollment and Information Provision system;

(q) **"Electric Distribution System"** means the plant, works, equipment, systems and services necessary to distribute electricity in a service area, but does not include a generating unit or a transmission facility;

(r) **"Electric Utility"** means an isolated generating unit, a transmission facility or an Electric Distribution System that is used

(i) directly or indirectly for the public; or

(ii) to supply electricity to members of an association whose principal object is to supply electricity to its members;

the owner of which

(iii) is required by the *EUA* or the regulations to apply to the Board for approval of a tariff, or

(iv) is permitted by the *EUA* or regulations to apply to the Board for approval of a tariff, and has applied for that approval, or

(v) passes a bylaw that has been approved by the Lieutenant Governor in Council under section 138 of the *EUA*,

but does not include an arrangement of conductors intended to distribute electricity solely on property of which a Person is the owner or a tenant, for use solely by that Person and solely on that property or a facility exempted by Board rules made under section 117 of the *EUA*;

(s) **"Electricity Services"** means the services associated with providing electricity to a Person, including the following:

(i) the exchange of electric energy;

(ii) making financial arrangements to manage financial risk associated with the pool price;

(iii) distribution access service;

(iv) system access service;

(v) ancillary services;

(vi) billing;

(vii) metering;

(viii) performing load settlement;

(ix) any other services specified in the regulations made by the Minister under section 115 of the *EUA*;

(t) **"Emergency"** means:

(i) an abnormal system condition requiring manual or automatic action to maintain system frequency, or to prevent loss of firm load, equipment damage, or tripping of system elements that could adversely affect the reliability of the Electric Distribution System or the safety of Persons or property;

(ii) a fuel shortage requiring departure from normal operating procedures in order to minimize the use of such scarce fuel;

(iii) a condition that requires implementation of Emergency Operations System as defined in the ISO's Operating Policy and Procedures; or

(iv) any other condition or situation that EPC or the ISO deems imminently likely to endanger life or property or to affect or impair EPC's Electric Distribution System or the electrical systems of others to which EPC's Electric Distribution System is directly or indirectly connected. Such a condition or situation may include but is not limited to potential overloading on EPC's Electric Distribution System, Facilities, transmission and/or distribution circuits, System Controller minimum generation ("light load") conditions, or unusual operating conditions on either EPC's Electric Distribution System, Facilities, transmission or distribution circuits or on those of an indirectly connected electrical system, or conditions such that EPC is unable to deliver Energy for a Retailer without jeopardizing EPC's Distribution System, Facilities, transmission or distribution circuits or those of an indirectly connected electrical system;

(u) **"Energize"** means the connection of metering or electrical equipment to the Electric Distribution System that permits Energy to flow to the Site;

(v) "**Energy**" means the capability of electricity to do work, measured in kilowatt hours;

(w) "**ENMAX**" means ENMAX Corporation;

(x) **"EPC"** means ENMAX Power Corporation and includes a Person, if any, authorized to act on its behalf under the *EUA*;

(y) **"Exchange"** means to provide electric energy to or receive electric energy from the interconnected electric system;

(z) "***EUA***" means the *Electric Utilities Act*, S.A. 2003, c. E-5.1, including the regulations enacted thereunder, as re-enacted, amended, supplemented or replaced from time to time;

(aa) "**Facilities**" means EPC's physical facilities including, without limitation, transmission and distribution lines, wires, transformers, meters, meter reading devices and other electrical apparatus;

(bb) **"Fee Schedule"** means the schedule forming part of the Distribution Tariff that sets out the charges for the provision of Consumer Services, Distributed Generation Interconnection Services, Transmission Connected Services or Retail Access Services, as the case may be, as amended from time to time;

(cc) **"Force Majeure"** means acts of God, strikes, walkouts, lockouts or other industrial disturbances, acts of a public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, high water, washouts, inclement weather, laws, orders, restraints or acts of courts or other public, civil or military authorities, civil disturbances, explosions, breakdown or accident or necessity of repairs to equipment or lines of the electric transmission and distribution systems, loss, diminution or impairment of electrical service from generating plants, suppliers or the systems of others with which the Electric Distribution System is interconnected, failure of any supplier, Retailer, Distributed Generator or Transmission Connected Customer to perform, failure, curtailment, interruption or reduction of the transmission or distribution systems' capacity, and any other event or circumstance, whether of the kind herein enumerated or otherwise, not reasonably within the control of EPC, provided that in no event shall the lack of finances or inability to perform due to financial condition constitute Force Majeure;

(dd) **"Independent System Operator" or "ISO"** means the corporation established by section 7 of the *EUA*;

(ee) **"Interconnected Electric System" or "IES"** means all transmission facilities and all electric distribution systems in Alberta that are interconnected, but does not include an electric distribution system or a transmission facility within the service area of the City of Medicine Hat or a subsidiary of the City, unless the City passes a bylaw that is approved by the Lieutenant Governor in Council under section 138 of the *EUA*;

(ff) **"Interconnection Agreement"** means the agreement between EPC and a Distributed Generator, which sets forth the terms upon which EPC provides Distributed Generation Interconnection Services to the Distributed Generator and whereby the Distributed Generator agrees to these Terms and Conditions and the associated Rate Schedule and Fee Schedule;

(gg) **"Islanded Operation"** a condition in which a portion of EPC's Facilities which is electrically separated from the rest of EPC's Facilities is Energized by one or more distributed generators;

(hh) **"kVA"** means kilovoltampere or kilovoltamperes;

(ii) **"kW"** means kilowatt or kilowatts;

(jj) **"kWh"** means kilowatt hour or kilowatt hours;

(kk) **"Load"** means the Demand and Energy delivered or required to be delivered to a Site;

(ll) **"Load Settlement"** means the functions set out in the Settlement System Code;

(mm) **"LSA"** means Load Settlement Agent, which is the entity conducting load settlement calculations for a particular load settlement zone;

(nn) **"Meter Data Manager" or "MDM"** is the entity responsible for collecting metering data, correcting and validating interval metering data, storing historic data, and reporting load and consumption data and corresponding time periods;

(oo) **"Meter"** is the apparatus, which measures active energy or reactive energy or both, including any internal recorder, or clock, which is normally tested as part of the apparatus;

(pp) **"Minimum Contract Demand"** means the Demand for a Site established in a contract between EPC and the Customer;

(qq) **"Month"** means a calendar month;

(rr) **"Parties"** means EPC, the Customer, Retailer, Distributed Generator, Transmission Connected Customer or any other Person taking services, including Consumer Services, Retail Access Services, Distributed Generation Interconnection Services, Transmission Connected Services, under EPC's Distribution Tariff and these Terms and Conditions and **"Party"** means any one of them.

(ss) **"Person"** means an individual, firm, partnership, association, joint venture, corporation, trustee, executor, administrator or legal representative;

(tt) **"Point of Delivery"** is the measured interconnection point between the transmission system and the distribution system;

(uu) **"Point of Common Coupling" or "PCC"** means the point at which EPC's Facilities are connected to the Distributed Generator's facilities or conductors, and where any transfer of electric energy between the Distributed Generator Owner and EPC takes place;

(vv) **"Post Final Adjustment Mechanism" or "PFAM"** means the process that market participants must follow when final settlement data is being disputed and the market participants are requesting financial adjustments be made as a result of the dispute;

(ww) **"Power Pool"** means the scheme operated by the Independent System Operator for

(i) exchange of electric energy, and

(ii) financial settlement for the exchange of electric energy;

(xx) "**Rate Schedule**" means a schedule forming part of the Distribution Tariff that sets out the charges to Retailers, Distributed Generators or Transmission Connected Customers for the provision of Distributed Generation Interconnection Services, Transmission Connected Customer Services or Retail Access Services, as amended from time to time;

(yy) "**Re-energize**" means the reconnection of metering or electrical equipment to the Electric Distribution System, which allows Energy to flow to a Site.

(zz) "**Regulated Rate Provider**" means the owner of an Electric Distribution System, or a Person authorized by the owner that provides Electricity Services to eligible customers in the owner's service area under a Regulated Rate Tariff;

(aaa) **"Regulated Rate Tariff" or "RRT"** means a tariff which provides for a transition rate or a flow-through rate and applies to any Customer whose expected annual consumption of electric energy at a site is less than 250 megawatt hours of electric energy, residential rate classification Customers, farm rate classification Customers or irrigation rate classification, as set out in the *Regulated Default Supply Regulation;*

(bbb) **"Retail Access Services"** means the services provided by EPC to Retailers pursuant to these Terms and Conditions and includes without limitation Distribution Access Service and also includes MDM, load settlement, and meter services and other related services as offered by EPC from time to time;

(ccc) **"Retail Access Services Agreement"** means the agreement between EPC and a Retailer, which sets forth the terms upon which EPC provides Retail Access Services to the Retailer and whereby the Retailer agrees to these Terms and Conditions and the associated Rate Schedule and Fee Schedule;

(ddd) **"Retail Electricity Services"** means electricity services provided directly to a Customer but does not include electricity services provided to eligible customers under an RRT;

(eee) "**Retailer**" means a Person who sells or provides Electricity Services, including a Regulated Rate Provider and Default Supplier;

(fff) "**Retailer of Record**" means the single entity, either the Retailer or the regulator rate provider that the load settlement system recognizes as providing service to a given site for a given day;

(ggg) **"Revenue Meter"** means an electric meter, which includes any apparatus used for the purpose of making measurement of, or obtaining the basis of a charge for, electricity supplied to a purchaser;

(hhh) **"Service Connection"** means the physical connections of EPC Facilities to the facilities of the Customer and includes end use connections, network connections and direct transmission connections;

(iii) **"Settlement System Code"** or **"SSC"** means the Settlement System Code as established under the authority of the *EUA* and as amended from time to time;

(jjj) **"Settlement Zone"** means the collection of sites that are jointly settled by a load settlement system and over which UFE is calculated and allocated;

(kkk) "**Site**" means a unique end use service delivery point. This is the finest level at which settlement recognizes retailer assignments and receives consumption data;

(lll) **"System Access Service"** means the service obtained by market participants through a connection to the transmission system, and includes access to exchange electric energy and ancillary services;

(mmm) **"Tariff"** means a document that sets out:

- (i) rates;
- (ii) terms and conditions; and
- (iii) fees;

(nnn) "**Terms and Conditions**" means these Terms and Conditions for services, including Retail Access Services, Consumer Services, Transmission Connected Services and Distributed Generation Interconnection Services, as amended from time to time;

(ooo) **"Transmission Connected Customer"** means for the purpose of exemption from distribution charges as defined in the Rate Schedule:

- (i) a Customer whose Service Connection is at a transmission voltage (69 kV and above); or
- (ii) a Customer whose plant site is contiguous with a transmission facility and takes service directly from the transmission facility, or through a transformer which is directly connected to the transmission facility;

(ppp) **"Transmission Connected Services"** means the services provided by EPC to Transmission Connected Customers pursuant to these Terms and Conditions and includes, without limitation, meter services, meter data management and other related services as offered by EPC from time to time;

(qqq) **"Unaccounted for Energy" or "UFE"** means the difference between (a) the Electric System Distribution total Load for the hour and (b) the sum of the allocated hourly Loads at the Customer Meters, plus their allocated losses;

2.0 INTERPRETATION

2.1 Conflicts

If there is any conflict between a provision expressly set out in a Retail Access Services Agreement, the Interconnection Agreement, Rate Schedule or a Fee Schedule and these Terms and Conditions, the provisions of these Terms and Conditions shall govern.

2.2 Headings

The division of these Terms and Conditions into sections, subsections and other subdivisions and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of these Terms and Conditions.

3.0 GENERAL PROVISIONS

3.1 Tariff

EPC provides various services, including Retail Access Services, Consumer Services, Distributed Generation Interconnection Services and Transmission Connected Services under a Tariff (the "Distribution Tariff"), which includes these Terms and Conditions, a *pro forma* Retail Services Agreement, a *pro forma* Interconnection Agreement, the associated Rate Schedules, and a Fee Schedule. The Distribution Tariff is available for public inspection during normal business hours at the business offices of EPC, has been approved by the Board and is also posted on EPC's website at enmaxpower.com.

3.2 Effectiveness of Terms and Conditions

These Terms and Conditions form part of EPC's Distribution Tariff and have been approved by the Board. These Terms and Conditions come into force on January 1, 2004 unless otherwise indicated, and will be in force until another Distribution Tariff application is approved.

3.3 Amendment of Terms and Conditions

EPC can only amend these Terms and Conditions by obtaining the approval of the Board on application. When an amendment is approved, revisions will be made to the

Distribution Tariff, with the effective date of the amendments indicated in the revised section(s).

3.4 Acceptance of Terms and Conditions

The taking of services, including Consumer Services, Retail Access Services, Transmission Connected Services or Distributed Generation Interconnection Services by the Customer, Retailer, Transmission Connected Customer or Distributed Generator under these Terms and Conditions constitutes acceptance by the Customer, Retailer, Transmission Connected Customer or Distributed Generator of these Terms and Conditions and assumption of all obligations set forth herein with respect to that service.

3.5 Modification of Terms and Conditions

No agent or employee of EPC is authorized to modify or change these Terms and Conditions, the Rate Schedules or the Fee Schedule, or to bind EPC to perform in any manner inconsistent with these Terms and Conditions, the Rate Schedules or the Fee Schedule.

3.6 Collection of Taxes

EPC shall collect all franchise fees and sales, excise, or other taxes imposed by governmental authorities with respect to any services, including Consumer Services, Retail Access Services, Transmission Connected Services and Distributed Generation Interconnection Services. The Retailer shall be responsible for identifying and requesting any exemption from the collection of any tax by filing appropriate documentation with EPC.

3.7 Payment of Invoice

All fees, rates and charges required to be paid under these Terms and Conditions shall be paid upon receipt of an invoice for the fees, rates and charges. The invoice may be issued to the Customer by a Retailer on behalf of EPC or directly by EPC. Transactional charges include charges on a fee for services basis that are not recoverable under the standard provisions of the Distribution Tariff. Customers shall be invoiced for services according to the fees set out in the Fee Schedule and invoiced in accordance with this Section 3.7 of these Terms and Conditions.

Invoices shall be deemed rendered, and other notices duly given when delivered to a Party personally, when mailed to or left at the premises where service is provided or the last known address of the Party or when delivered to the premises set out in Section 3.14 of these Terms and Conditions. Failure to receive such an invoice from EPC will not entitle the Party to any delay in the settlement of each account nor to any extension of the date after which a late payment charge becomes applicable. In the case of a dispute between EPC and a Party, the Party shall be expected to make payment or settlement as originally arranged and agreed to, pending the resolution of the dispute.

Payment shall be made either by way of cheque or electronic funds transfer to the bank account specified by EPC.

Any invoice rendered for which valid payment has not been received by the due date shall be considered past due. On the first day following the payment due date, late payment charges as set out in the Fee Schedule will be applicable to all overdue billed amounts, including arrears and previously unpaid late payment charges. Failure to make payments on time will also be subject to normal credit action, which may include, but is not limited to:

- reminder letters;
- notification by telephone;
- use of collection agencies;
- requiring prepayment before additional service;
- withholding of additional service; and
- legal action.

3.8 Underpayments

Underpayments of any amount are treated as normal receivables outstanding and interest will apply on all past due amounts.

3.9 Returned Cheque Fee

EPC may assess a returned cheque fee, as outlined in the Fee Schedule to any Party whose cheque for payment to EPC is dishonored by any bank when presented for payment by EPC. Receipt by EPC of a cheque or payment instrument that is subsequently dishonored shall not be considered valid payment.

3.10 Credit and Prepayment

Prior to EPC entering into any agreement which provides credit to a Party, the Party must satisfy EPC that the Party is capable of meeting its obligations by satisfying either credit or security requirements as follows:

Credit

Those seeking service will be asked to provide information that may reasonably be deemed necessary to establish and monitor the Person's ability to pay.

Security

Services may be obtained by providing and maintaining security in one of the following ways (in EPC's sole discretion):

- obtaining a guarantee of payment from a guarantor who satisfies EPC's credit requirements;
- providing an irrevocable letter of credit from a Canadian chartered bank or equivalent lending institution satisfactory to EPC; or
- providing a cash deposit.

Service on credit may be withheld if the Party's account for previous service provided by EPC is past due.

Those who are not extended credit are required to prepay for services.

Notwithstanding any credit or security arrangements, EPC, at its sole discretion, may require full or partial prepayment as a pre-condition to providing any services, including Consumer Services, Retail Access Services, Transmission Connected Services or Distributed Generation Interconnection Services. EPC, at its sole discretion, may also waive a security requirement.

3.11 Customer Facilities

For Customer owned equipment and facilities, the Customer shall be responsible for the installation and condition of all equipment and facilities on the Site, or on premises controlled or occupied by the Customer. EPC will retain ownership of its equipment and Facilities whether affixed to a Customer's facilities or not.

3.12 Service Calls

EPC will require a Customer to pay the appropriate fee as per the Fee Schedule of a Customer-requested service call if the source of the problem is the Customer's facilities.

3.13 Law

These Terms and Conditions, the Retail Access Services Agreement and the Interconnection Agreement shall be governed by the laws of the Province of Alberta and the federal laws of Canada applicable in the Province of Alberta, without regard to principles of conflicts of laws. Any lawsuit arising in connection with these Terms and Conditions, the Retail Access Services Agreement or the Interconnection Agreement shall be brought in the courts of the Province of Alberta.

3.14 Notices

Unless otherwise stated herein, all notices, demands or requests required or permitted under these Terms and Conditions, a Retail Access Services Agreement or an Interconnection Agreement shall be in writing and shall be Personally delivered, mailed or delivered by facsimile transmission (with the original transmitted by any of the other aforementioned delivery methods) addressed as follows:

- if to the Customer, the address and the addressee on record with EPC;
- if to the Retailer, the address and the addressee set out in the Retail Access Services Agreement between the Retailer and EPC;
- if to the Distributed Generator, the address and the addressee set out in the Interconnection Agreement between the Distributed Generator and EPC;

- if to the Transmission Connected Customer, the address and the addressee on record with EPC;

- if to EPC:

ENMAX Power Corporation
ENMAX Place
141 – 50th Avenue SE
Calgary, Alberta
T2G 4S7

A Party may change the address or addressee from time to time by giving written notice of such change in accordance with this Section 3.14 of these Terms and Conditions. Any notice, demand or request made, given or delivered hereunder is considered delivered; when sent by facsimile, on the next Business Day following a confirmed facsimile; when mailed, at the end of the fourth (4th) Business Day after mailing; when hand delivered, at the time of delivery where proof of delivery date is provided.

3.15 Default Supplier

EPC has appointed ENMAX Energy Corporation as its Default Supplier under section 3(1) of the Roles, Relationships and Responsibilities Regulation made under the *EUA*. The Default Supplier must provide Retail Electricity Services to a Customer that is not an eligible Customer in the following circumstances:

- The Customer is unable to continue to purchase Retail Electricity Services from the Customer's Retailer for any reason;

- The Customer is unable to obtain Retail Electricity Services for any reason.

4.0 CONNECTIONS

4.1 Interruptions

EPC may discontinue or otherwise curtail, interrupt or reduce Consumer Services, Transmission Connected Services or Distributed Generation Interconnection Services whenever EPC reasonably determines, or when EPC is directed by the ISO, that such a discontinuation, curtailment, interruption or reduction is necessary to facilitate construction, installation, maintenance, repair, replacement or inspection of any of EPC's Facilities; to maintain the safety and reliability of EPC's Electric Distribution System; or due to any other reason, including Emergencies, forced outages, potential overloading of EPC's Electric Distribution System or Force Majeure.

4.2 ISO System Control Requirements

The Customer, Retailer, Transmission Connected Customer and Distributed Generator acknowledge and agree that EPC is bound by all ISO operating instructions, policies and procedures as are set forth in the ISO Rules and ISO Code of Conduct, as may be revised from time to time, which are needed to maintain the integrity of the Alberta Interconnected Electric System. The Customer, Retailer, Retailer, Transmission Connected Customer and Distributed Generator acknowledge and agree that they will cooperate with EPC so that EPC will be in compliance with all ISO Operations Procedures, which include, but are not limited to, those procedures pertaining to minimum and maximum generation, emergencies, and measures requiring involuntary Customer, Retailer, Retailer, Transmission Connected Customer and Distributed Generator participation, such as supply voltage reduction or full interruption of Customer Load by either manual or automatic means.

4.3 Compliance With Governmental Directives

The Customer, Retailer, Retailer, Transmission Connected Customer and Distributed Generator acknowledge and agree that EPC may need to act in response to governmental or civil authority directives or regulatory orders, which may affect a Person's operations. The Customer, Retailer, Retailer, Transmission Connected Customer and Distributed Generator agree to cooperate with EPC in order to enable EPC to comply with all such directives or orders.

5.0 LIABILITY AND INDEMNIFICATION

5.1 Definitions

In this Section:

- "direct loss or damage" means direct physical damage, injury or loss, but does not include loss of profits, loss of revenue, loss of production, loss of earnings, loss of contract or any other indirect, special or consequential loss or damage whatsoever;

- "ENMAX Power Corporation" or "EPC" includes:
    - ENMAX Power Corporation, its affiliates, contractors, agents, authorized representatives and assigns, and the, directors officers and employees (while those employees are acting within the course and scope of their employment) of each of them; and
    - for the purposes of this definition, "affiliate" has the meaning given to it in the Business Corporations Act (Alberta); and
- "customer information" has the meaning given to it in the Code of Conduct Regulation made under the Electric Utilities Act, S.A. 2003, c. E-5.1.

5.2 Limitation of Liability

EPC does not guarantee or promise uninterrupted service. Except for direct loss or damage caused by the negligence of EPC, EPC shall not be liable to any Customer, Retailer, Distributed Generator, Transmission Connected Customer or other Person in law, equity, tort or contract for any loss, damage, injury or claim of any nature whatsoever, arising out of or in any way connected with the provision by EPC of Electricity Services, Consumer Services, Retail Access Services, Retailer, Transmission Connected Services or Distributed Generation Interconnection Services, or any failure, estimated data errors, defect, fluctuation, reduction, De-energization, suspension, curtailment or interruption in the provision of Electricity Services, Customer Services, Retail Access Services, Retailer, Transmission Connected Services or Distributed Generation Interconnection Services.

5.3 Consequential Damages

EPC shall not be liable for special, indirect or consequential damages resulting from or arising out of performance under these Terms and Conditions, including, without limiting the generality of the foregoing, loss of profits, loss of revenue, loss of production, loss of earnings, loss of contract, or any other indirect, special or consequential loss or damage whatsoever.

5.4 EPC Not Liable for Retailer

EPC provides Electricity Services under these Terms and Conditions. EPC also provides Retail Access Service to Retailers under these Terms and Conditions, and provides Consumer Services, Transmission Connected Services and Distributed Generation Interconnection Services to Customers under these Terms and Conditions. Retailers and Customers may enter into an arrangement or agreement for the provision of services beyond those that EPC provides under these Terms and Conditions. EPC shall not be liable to a Customer or Retailer or other Person in law, equity, tort or contract for any loss, damage, injury or claim of any nature whatsoever, arising out of or in any way connected with:

- EPC's conduct in compliance with, or as permitted or required by:
  - EPC's Terms and Conditions;
  - a Retail Access Services Agreement between EPC and a Retailer;
  - any legal or regulatory requirements related to Retail Access Services, Consumer Services, Transmission Connected Services or Distributed Generation Interconnection Services;
  - any failure of a Retailer to comply with EPC's Terms and Conditions or a Retail Access Services Agreement;
- the presence, installation, use or equipment installed by or on behalf of a Retailer;
- any action taken by or on behalf of a Retailer;
- any failure of a Retailer to perform any commitment to a Customer or any action including, but not limited to, the failure of a Retailer to provide services to a Customer in accordance with any arrangement or agreement made between a Customer and a Retailer;
- any acts, omissions or representations made or done by a Retailer in connection with soliciting Customers for Retail Access Services; or
- the disclosure of customer information by a Retailer.

5.5 Indemnity

Customers, Retailers, Distributed Generators and Transmission Connected Customers shall indemnify and hold harmless, and at the option of EPC, defend EPC from and against all claims, actions, costs, fees (including legal fees and disbursements on an indemnity basis), judgments, fines, penalties and any liability in law, equity, tort or contract for any loss, damage, injury or claim of any nature whatsoever, brought against EPC which arise from, result from, or are in any way connected with any act, omission or failure of the Customer, Retailer, Distributed Generator, Transmission Connected Customer or any other Person arising from, resulting from or in any way connected with these Terms and Conditions, including the failure of a Retailer to obtain from a Customer any authorization or consent required or referred to in these Terms and Conditions, EPC's Distribution Tariff, a Retail Access Services Agreement, a Distributed Generation Interconnection Agreement, or under any other arrangement or agreement with EPC, or between the Customer and a Retailer or between the Customer, Retailer Distributed Generator or Transmission Connected Customer and any third party.

Without limiting the generality of the preceding paragraph, the Customer, Retailer, Distributed Generator or Transmission Connected Customer shall also indemnify and hold harmless, and at the option of EPC, defend EPC from and against all claims, actions, costs, fees (including legal fees and disbursements on an indemnity basis), judgments, fines, penalties and any liability in law, equity, tort or contract for any loss, damage, injury or claim of any nature whatsoever, brought against EPC by any Person, which arise from, result from, or are in any way connected with:

- Islanded Operation of the Customer's, Retailer's, Distributed Generator's or Transmission Connected Customer's facilities;

- the failure of the Customer's, Retailer's, Distributed Generator's or Transmission Connected Customer's facility to detect and clear an electrical fault that occurs on EPC's facilities;

- the failure of the Customer's, Retailer's, Distributed Generator's or Transmission Connected Customer's facilities to shut down after De-energization from EPC's facilities and before the automatic reclosing of EPC's switching devices;

- the routine presence in or use of Energy over the wires, cables, devices or other facilities owned or controlled by the Customer, Retailer, Distributed Generator or Transmission Connected Customer;

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- the failure of the Customer, Retailer, Distributed Generator or Transmission Connected Customer to perform any of their respective duties or obligations as set out in these Terms and Conditions; or
- the Customer's, Retailer's, Distributed Generator's or Transmission Connected Customer's improper use of Energy or electric wires, cables, devices or other facilities.

5.6 Interruption

EPC shall have the right, without any liability to Retailers, Customers, Distributed Generators, Transmission Connected Customers or any other Person in law, equity, contract or tort, to De-energize or otherwise curtail, interrupt or reduce Electricity Services or any other service provided under these Terms and Conditions when:

- EPC reasonably determines that such a De-energization, curtailment, interruption or reduction is necessary:
    - to facilitate the construction, installation, maintenance, repair, replacement or inspection of any of EPC's Facilities;
    - to maintain the safety and reliability of EPC's Electric Distribution System, or a connecting entity's electrical system; or
    - due to any other reason, including Emergencies, forced outages, potential overloading or the Electric Distribution System or Force Majeure.
- EPC is directed to do so by the ISO.

EPC will give Retailers, Customers, Distributed Generators and Transmission Connected Customers as much notice of a De-energization, curtailment or interruption or reduction in Distribution Access Service as is practicable, although it is understood and agreed that there may be circumstances in which no notice may be given prior to any such De-energization, curtailment, interruption or reduction.

EPC is not liable to Retailers, Customers, Distributed Generators, Transmission Connected Customers or any other Person in law, equity, contract or tort for any loss, damage, injury or claim of any nature whatsoever arising from or connected in any way with:

- a De-energization, curtailment or interruption or reduction in Electricity Services or any other service provided under these Terms and Conditions; or
- the amount or lack of notice given by EPC of a De-energization, curtailment or interruption or reduction in Electricity Services or any other service provided under these Terms and Conditions.

5.7 Force Majeure

If an event or circumstance of Force Majeure occurs that affects EPC's ability to provide Electricity Services, Retail Access Services, Consumer Services, Transmission Connected Services, Distributed Generation Interconnection Services, or any other service provided under these Terms and Conditions (the "Services"), so far as they are affected by the Force Majeure or its consequences, the Services shall be suspended until the Force Majeure or its consequences are remedied, and for such period thereafter as may reasonably be required to restore the Services. Where reasonably practical, EPC shall give advance notice to the Customer, Retailer, Distributed Generator or Transmission Connected Customer of such Force Majeure. It is recognized and agreed that it may not be possible for EPC to provide advance notice of such Force Majeure, in which case EPC shall provide the Customer, Retailer, Distributed Generator or Transmission Connected Customer with notice as soon as practicable.

EPC is not liable to Retailers, Customers, Distributed Generators, Transmission Connected Customers or any other Person in law, equity, contract or tort for any loss, damage, injury or claim of any nature whatsoever arising from or connected in any way with the amount or lack of notice given by EPC of an event of Force Majeure.

6.0 DISPUTE RESOLUTION

6.1 Arbitration Procedure

Any dispute arising between the Parties shall be determined by arbitration. With respect to any matters not specifically set out in Section 6.0 of these Terms and Conditions, the provisions of the *Arbitration Act* (Alberta) shall apply.

6.2 Resolution by EPC and Retailer or Distributed Generator

Unless otherwise specified herein, any dispute arising between EPC and a Retailer, Transmission Connected Customer or Distributed Generator in connection with these Terms and Conditions shall be resolved in accordance with Section 6.0 of these Terms and Conditions. EPC and the Retailer, Transmission Connected Customer or Distributed Generator, acting reasonably and in good faith, shall use their best efforts to resolve the dispute as soon as possible in an amicable manner. EPC, a Retailer, a Transmission Connected Customer or a Distributed Generator may provide written notice of its desire to have the dispute resolved. Within ten (10) days of such notice being provided, the Chief Operating Officers or Vice Presidents of EPC and the Retailer, Distributed Generator or Transmission Connected Customer shall meet to attempt to resolve the dispute.

The costs of detailed analysis beyond the initial investigation will be borne by the requestor, unless it is found that EPC is in error.

6.3 Resolution by Arbitration

If a dispute has not been resolved under Section 6.2 of these Terms and Conditions within ten (10) days after notice, from EPC, the Retailer, Distributed Generator or Transmission Connected Customer, of its desire to have the dispute resolved, then the dispute shall be resolved pursuant to the procedure set out in Section 6.4 of these Terms and Conditions.

6.4 Arbitration Procedure

6.4.1 Arbitrators

Whenever any arbitration is permitted or required under these Terms and Conditions to resolve a dispute between the Parties, arbitration proceedings shall be commenced by a Party desiring arbitration (the "Initiating Party") giving notice to the other Party (the "Responding Party") specifying the matter to be arbitrated and requesting an arbitration thereof. The Initiating Party shall within five days thereafter, by written notice to the Responding Party, designate an arbitrator. The Responding Party shall, within five days after receiving notice from the Initiating Party, be entitled to appoint an arbitrator by written notice to the Initiating Party, and the two arbitrators so appointed shall thereupon meet and select a third arbitrator (the "Chairman") acceptable to both. If the Responding Party fails to appoint an arbitrator within the time limit and deliver notice of the appointment to the Initiating Party, then the Initiating Party shall be entitled to appoint an arbitrator on behalf of the Responding Party and is hereby appointed the agent of the Responding Party for that purpose. In the event that the two arbitrators so appointed are unable to agree upon the Chairman within 10 days of the appointment of the arbitrator for the Responding Party, then the Initiating Party shall be entitled to make application to the Court of Queen's Bench of Alberta pursuant to the *Arbitration Act* (Alberta), as amended from time to time, for selection of the Chairman, and the provisions of the *Arbitration Act* (Alberta) shall govern such selection.

6.4.2 Failure to Concur

In the event of the failure, refusal or inability of any arbitrator to act, or continue to act, a new arbitrator shall be appointed in his stead, which appointment shall be made in the same manner as herein before provided.

6.4.3 Decision

The resultant arbitration panel shall thereupon proceed to hear the submissions of the Parties, and shall render a decision within 30 days after the appointment of the Chairman. The decision of the majority of the arbitration panel (or of the Chairman, if there is no majority decision) shall be deemed to be the decision of the arbitration panel and the decision of such majority of the Chairman, as the case may be, shall be final and binding upon the Parties and not subject to appeal. The arbitration panel shall have the authority to assess the costs of the arbitration panel against any Party, provided, however, that the Parties shall bear their own witness and counsel fees. The arbitrators shall have access to all books and records of the Parties relating to the matter in dispute and the Parties will co-operate with the arbitrators and provide all information reasonably requested by them.

6.4.4 Late Decision

If an arbitration decision is not made within the time herein provided, then until it is so made and unless the other Party has taken any of the actions referred to in this paragraph, a Party, upon 30 days notice to the other Party and to the arbitrators, may: (i) cancel the appointment of the arbitrator previously made and initiate new arbitration proceedings by a new notice to the other Party pursuant to Section 6.0 of these Terms and Conditions; or (ii) cancel such arbitration proceedings and proceed in the courts as though Section 6.0 of these Terms and Conditions did not exist.

6.4.5 Technical Competence

Any arbitrator appointed under the provisions of Section 6.0 of these Terms and Conditions, whether by concurrence of the Parties, by either Party, by the arbitrators, or by a Justice of the Court of Queen's Bench of Alberta, shall, in the opinion of the Person or Persons making such appointment, be possessed of such technical or other qualifications as may be reasonably necessary to enable him to properly adjudicate upon the dispute or difference.

6.4.6 Application of the Arbitration Act (Alberta)

Except as herein modified, the provisions of the *Arbitration Act* (Alberta), as amended re-enacted or replaced from time to time, shall apply to any arbitration proceeding.

6.4.7 Decisions Binding

A decision of the single arbitrator or the majority of three arbitrators named or appointed shall be final and binding upon each of the Parties to the dispute or difference. The Parties shall abide by the terms of any award rendered without delay.

6.5 Continuity of Service

All performance required under these Terms and Conditions and payment therefore shall continue during the dispute resolution proceedings contemplated by Section 6.0 of these Terms and Conditions. However, in the case of any such proceedings pertaining to amounts payable under these Terms and Conditions, any payments or reimbursements required as a result of the proceedings shall be effective as of a date to be determined in such proceedings and interest shall be paid thereon by the Party required to make the payment or reimbursement on the amount thereof at the rate to be determined in the arbitration proceeding, from the date so determined, until paid.

7.0 MISCELLANEOUS

7.1 Compliance with Applicable Legal Authorities

EPC and the Customer, Retailer, Distributed Generator and Transmission Connected Customer are subject to, and shall comply with, all existing or future applicable federal, provincial and local laws, all existing or future orders or other actions of the ISO or of governmental authorities having applicable jurisdiction. EPC will not violate directly or indirectly, or become a party to a violation of any requirement of the ISO or any applicable federal, provincial or local statute, regulation, bylaw, rule or order in order to provide services, including Consumer Services, Distributed Generation Interconnection Services, Transmission Connected Services or Retail Access Services. EPC's obligation to provide service under these Terms and Conditions is subject to the condition that all requisite governmental and regulatory approvals for the provision of such service will have been obtained and will be maintained in force during such period of service.

7.2 No Waiver

The failure of any Party to insist on any one or more instances upon strict performance of any provisions of these Terms and Conditions, or a Retail Access Services Agreement, or an Interconnection Agreement, or to take advantage of any of its rights hereunder, shall not be construed as a waiver of any such provisions or the relinquishment of any such right or any other right hereunder, which shall remain in full force and effect. No term or condition of these Terms and Conditions, a Retail Access Services Agreement or an Interconnection Agreement shall be deemed to have been waived and no breach excused unless such waiver or consent to excuse is in writing and signed by the Party claimed to have waived or consented to excuse.

7.3 No Assignment

A Customer, Retailer, Distributed Generator and Transmission Connected Customer may not assign any rights or obligations under these Terms and Conditions without obtaining

- any necessary regulatory approval(s); and
- the prior written consent of EPC, which consent shall not be unreasonably withheld.

EPC may not assign any of its rights or obligations under these Terms and Conditions without obtaining any necessary regulatory approvals. No assignment shall relieve the assigning Party of any of its obligations under these Terms and Condition, the Retail Access Services Agreement or the Interconnection Agreement until such obligations have been assumed by the assignee in writing. Any assignment in violation of Section 7.3 of these Terms and Conditions shall be void.

Notwithstanding the foregoing, EPC may assign any or all of its rights and obligations under these Terms and Conditions, the Retail Access Services Agreement, and the Interconnection Agreement without the Customer's, Retailer's, Distributed Generator's or Transmission Connected Customer's consent, to any entity succeeding to all or substantially all of the assets of EPC, if the assignee agrees, in writing, to be bound by all of the terms and conditions hereof and if any necessary regulatory approvals are obtained.

8.0 DEFAULT

8.1 Event of Default

A Party will be deemed to be in default ("Defaulting Party"), of its obligations under EPC's Distribution Tariff, these Terms and Conditions, the Retail Access Services Agreement or the Interconnection Agreement if:

- it is the subject of a bankruptcy, insolvency or similar proceeding;
- it makes an assignment for the benefit of its creditors;
- it applies for, seeks consent to, or acquiesces in the appointment of a receiver, custodian, trustee, liquidator or similar official to manage all or a substantial portion of its assets;
- violates any code, regulation or statute applicable to the supply of Energy; or
- fails to pay the other Party ("Non-Defaulting Party"), when payment is due, or to satisfy any other obligation or requirement under EPC's Distribution Tariff, these Terms and Conditions, the Retail Access Services Agreement or the Interconnection Agreement, and fails to remedy any such failure or delinquency within 3 Business Days after receipt of written notice thereof from the Non-Defaulting Party.

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8.2 Rights Upon Default

In an event of default, the Non-Defaulting Party shall be entitled to pursue any and all available legal and equitable remedies and terminate the Retail Access Services Agreement or Interconnection Agreement without any liability or responsibility whatsoever except for obligations arising prior to the date of termination, by written notice to the Defaulting Party, subject to any applicable regulatory requirements.

EPC may access security posted by a Party without prior notice, if the Party files a petition in bankruptcy (or equivalent, including the filing of an involuntary petition in bankruptcy against the Party), becomes a Defaulting Party pursuant to Section 8.1 of these Terms and Conditions or if for any reason a Party ceases to provide service to its Customers under its terms of service.

If a Party fails to make payment in accordance with these Terms and Conditions, EPC may immediately withhold or suspend the Party's service, terminate service, transfer the Retailer's Customers to the Default Supplier in the case of a Retailer, and apply any security held by EPC before the service coverage period of the security expires. Notwithstanding action provided for or taken pursuant to the preceding sentence, EPC may take credit action against any Party with respect to an account on which payment is not made to EPC. EPC may assess the Party for any or all administrative and collection costs relating to the recovery by EPC of amounts owed, including but not limited to legal fees, disbursements and costs.

If a Party fails to provide or maintain adequate security upon EPC's request, EPC may immediately withhold or suspend services provided to the Party pursuant to these Terms and Conditions.

If a Party or Person who guarantees the financial obligations of the Party, as the case may be, ceases to be in EPC's estimation, creditworthy, EPC will demand alternative security and, if not provided, may immediately suspend the provision of further services to the Party and its Customers, as the case may be, until EPC in its sole discretion determines that the Party is capable of meeting its payment obligations by either satisfying the credit requirements or providing security.

Any withholding or suspension under Section 8.0 of these Terms and Conditions shall not relieve the Party from any obligation to pay any rate, charge or other amount payable which has accrued or is accruing to EPC.

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Part A: General

PART B: RETAIL ACCESS SERVICES

9.0 RETAIL ACCESS SERVICES

9.1 Provision of Retail Access Services

EPC will offer Retail Access Services to Retailers who have demonstrated eligibility under EPC's Eligibility Requirements set out in Section 16.0 of these Terms and Conditions. EPC will provide Retail Access Services for the Retailer, upon and subject to the terms and conditions set out in these Terms and Conditions.

9.2 Initiation of Distribution Access Services

To initiate Distribution Access Service in respect of a Customer, the Retailer shall submit an enrollment request for Customer, in accordance with Section 14.0 of these Terms and Conditions. The Retailer shall not request enrollment until all applicable rescission periods have elapsed.

If the information on the enrollment request and other information required by EPC is complete and correct, EPC shall process the request for enrollment in accordance with Section 14.0 of these Terms and Conditions. Once EPC completes the processing of the enrollment request, the Retailer shall become the Retailer of Record for that particular Customer.

9.3 Reasonable Efforts

EPC shall use reasonable efforts to minimize any scheduled curtailment, interruption or reduction of Distribution Access Service to the extent reasonably practicable under the circumstances, to provide the Retailer with prior notification of any such curtailment, interruption or reduction to the extent reasonably practicable, and to resume Distribution Access Service as promptly as reasonably practicable.

9.4 De-Energization

9.4.1 De-Energization of a Site

EPC may De-energize a Site, and thereby discontinue Distribution Access Service in respect of a Customer, in accordance with the provisions set forth in these Terms and Conditions.

9.4.2 Single Retailer for Customer Site

EPC will not be required to recognize and deal with more than one Retailer in respect of a Site at any give time. Nothing in these Terms and Conditions prevents a Customer from entering into arrangements with multiple Retailers for a Site, provided that a single Retailer is designated to be the Customer's Retailer for the purposes of these Terms and Conditions.

9.4.3 De-Energization at Request of Retailer

EPC will De-energize a Site and discontinue Distribution Access Service in respect of a Customer, either temporarily or permanently where the Retailer requests on behalf of the Customer, physical disconnection of the service by submitting a "De-energization request" notice to EPC.

EPC will discontinue Distribution Access Service in response to a request from the Retailer it has appointed as Default Supplier upon receipt of a "De-energization Request" notice.

If a Retailer requests a site to be De-energized temporarily due to vacancy, EPC will dispatch the appropriate resources to execute the De-energization. Should it become apparent that the site is occupied and the occupant is not on-site when EPC arrives to De-energize, EPC reserves the right to not De-energize immediately but leave a warning notice in order to give the occupant(s) the opportunity to make appropriate arrangements for electricity service.

9.4.4 Fees

EPC may charge fees to Retailers for processing the transactions described in Section 9.0 of these Terms and Conditions in accordance with the Fee Schedule.

10.0 ARRANGEMENT FOR SYSTEM ACCESS SERVICES

EPC shall obtain from the ISO, the System Access Services that EPC considers necessary to enable the transportation of Energy that will be sold or provided by the Retailer to its Customers. The Retailer shall be responsible for all charges paid or payable by EPC to the ISO for System Access Service obtained by EPC for Customers of the Retailer.

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Part B: Retail Access Services

11.0 REVENUE METERING EQUIPMENT

EPC provides all Revenue Meter services within its service area. EPC is accredited by Measurement Canada to provide these services and will only install Measurement Canada approved metering equipment.

11.1 Provision of Meters

EPC will own, install, seal and approve the meters for all sites on its distribution system in accordance with EPC's Terms and Conditions for Consumer Services. An energy, demand/energy or interval meter will be installed as required. EPC considers both an electronic demand meter and a thermal demand meter as appropriate apparatus for recording Distribution Tariff billing demands.

11.2 Provision of Interval Meters

A Revenue Meter for a Load which peaks over 150 kVA at least twice in a 12-month period will require interval meter services. Once an interval meter has been installed, it will not be removed unless the site is pre-emptively disconnected. For new Customers moving into existing space, EPC will make an estimate of Site Demand, and if the estimate is greater than or equal to 150 kVA, an interval meter will be installed. For an existing Site, where modifications are made to the infrastructure requiring Load to be equal to or in excess of 150 kVA, an interval meter will be installed. In these cases, the costs of the new interval meter, including installation, will be borne by EPC.

11.3 Changes to Metering Equipment

A Retailer or a Customer can request an upgrade to the meter.

Should a Retailer request a new meter or a communication device be attached to the existing meter, the request shall be made in accordance with the provisions set out in these Terms and Conditions and EPC shall provide, install, test, and maintain the requested metering or communication device. The Retailer shall bear the cost incurred by EPC in providing and installing the meter or attaching the communication device in accordance with the Fee Schedule. Upon installation, the meter or communication device shall remain the property of EPC and will be maintained by EPC. EPC shall complete installation of the meter or attachment of the communication device, if reasonably possible, within 30 days of receiving a request from the Retailer. EPC shall bill the Retailer upon installation.

11.4 Meter Service Requests

All standard meter service requests from Retailers including new meter installation, meter upgrades, exchange of meters, installation of meter communication devices, verification of meter accuracy and installation of Load limiting devices, and non-standard meter service requests including the provision and installation of pulse initiators for energy management systems, certification of non-revenue meters for Retailer or Customer use only and installation of non-revenue meter for Retailer or Customer use only, will be processed as set out in these Terms and Conditions.

11.5 Meter Upgrade and Non-standard Meters

Requests by Retailers for the provision of a meter up-grade and non-standard meters, communication equipment and data field recordings will incur an extra service charge in accordance with the Fee Schedule.

12.0 METER DATA MANAGEMENT

12.1 Responsibilities:

- The MDM is the entity responsible to provide "settlement-quality" data to stakeholders as outlined in the SSC.

- The MDM shall be the sole source to manage consumption and interval data for interval and cumulative meters, collecting meter data, validating and estimating interval and cumulative meter data, storing historical data, and reporting data to the LSA and Retailers.

- The MDM shall ensure that the interval and cumulative historical meter data is available to an authorized party at a cost outlined in Fee Schedule.

- Any metering data requests including special reports, graphs and analysis shall be charged as outlined in the Fee Schedule.

- Some non-standard data exchanges are available by EPC as outlined in the Fee Schedule

- Estimation algorithms are recorded and maintained for consumption data, as it is stored.

- Estimation algorithm information is available upon request to an end use Customer or a Person (Customer's Agent or Retailer) who is authorized by the end use Customer.

- EPC will be the sole source of revenue metering information for all market participants in the EPC service area.

- EPC's validation editing and estimation standards will be reviewed and modified from time to time as appropriate.

- EPC will read all meters in its service territory in accordance with the EPC Meter Reading Schedule.

- An accurate record will be kept by EPC of meter readings that will be the basis for the Load Settlement for each metered site.

- Retailers will be responsible for acquiring information about Meter Reading Schedules from EPC.

12.2 Historical Data Request (Interval and Cumulative)

- Any historical data request by any Person requesting the historical meter data shall have the authorization (written consent) by the end use Customer.

- The MDM shall charge for any historical data request (interval and cumulative), including, any special reports and graphs as outlined in the Fee Schedule.

- Any Person requesting the historical metering data from EPC shall complete EPC's "Authorization to Release Electricity Load Data" form in its entirety.

- The Retailer shall be responsible for having all necessary and appropriate contractual or other arrangements with its Customers consistent with applicable statutes and regulations and these Terms and Conditions.

12.3 Data Validation, Estimation and Editing

- The MDM performs validation, estimation and editing as outlined in the SSC to produce the settlement ready data for the LSA and Retailers.

- If requested by the Retailer, EPC will provide the description of the method used to estimate the Energy used by the Retailer's Customer.

12.4 Meter Reading Concerns/Disputes

It is the Retailer's responsibility to assist Customers who are concerned about their consumption levels and provide possible causes for their high consumption.

If a Retailer disputes a read for whatever reason, the Retailer may request an Off-Cycle Read.

EPC will read any meter provided by EPC at the request of the Retailer subject to the charges set out in the Fee Schedule. A request is considered to be completed when a reading is obtained, or when, 3 physical attempts or 2 physical attempts and 1 phone call, have been made.

In the event that the Off-Cycle Read shows that a prior recorded reading is incorrect, then the cost of the Off-Cycle Read will be waived.

13.0 LOAD SETTLEMENT SERVICES

Load Settlement allocates the energy consumption to Retailers based on Customer enrolments in accordance with the settlement System Code.

13.1 Reporting/Posting Information

Settlement algorithms, Load profiles, UFE, losses, loss classes and Settlement Zone consumption data will be made publicly available. Individual Retailers will have access only to their consumption data, being restricted from access to other Retailers' consumption data. Information reported will be consistent with the Settlement System Code.

The Settlement System Code calls for a number of standard content, standard format electronic transactions which EPC implements as described therein.

13.2 Fee for Service

Custom reports and other data may be provided to Retailers on request, on a fee for service basis as per the Fee Schedule which forms part of the Distribution Tariff. These reports and data might be expected to include detailed extracts of data that is used in settlement but not provided in the standard information complement as mandated by the Settlement System Code. The provision of reports and data requested under this Section 13.2 of these Terms and Conditions may be subject to Customer consent.

14.0 ENROLLMENT

Enrollment is the process whereby a Retailer communicates to EPC that it assumes responsibility for Retail Access Service for that Site.

Retailers must use the mandated enrollment process described in the Settlement System Code to communicate enrollment of a site. A site is identified by a unique Site ID number.

EPC provides a capability to look up Site IDs within its service area on its website.

A Site must be enrolled with a Retailer before Energy can flow.

14.1 EPC Responsibilities

EPC is responsible for the construction and maintenance of the distribution system infrastructure and all Revenue Metering equipment installed for the purposes of Electricity Service in Calgary.

As an owner of an Electric Distribution System, EPC's responsibilities are as follows:

- Load Settlement Agent ("LSA");
- Meter Service Provider ("MSP");
- Meter Data Manager ("MDM");
- Issue Invoices to Retailers for Distribution Services and other Transactions;
- Maintain Site information for all Sites that are included in Load Settlement;
- Process, in a standard manner, all enrollment requests that are received, irrespective of the identity of the Retailer submitting the request, and under the assumption that the Retailer has permission to enroll the Site;
- Maintain Customer information as it is supplied by the Retailer; and

- In the event of a Retailer failure or default, pass Site and Customer information for affected Customers to the Default Supplier.

If EPC becomes aware of an unauthorized use of electricity, it will take the appropriate steps to mitigate the situation. EPC will notify the Retailer if it initiates the de-energization of a site for theft, non-standard service entrance, etc.

14.1.1 Retailer/Customer Relations

EPC is neither bound by, nor will it enforce, contracts between Retailers and their Customers. Additionally, EPC will not mediate disputes between Retailers and Customers.

Where the Retailer is required to obtain authorization from the Customer pursuant to these Terms and Conditions, or applicable statutes or regulations such authorization will be in verifiable form. The Retailer will make such authorization available to EPC upon request.

14.2 Retailer Responsibilities

Retailers must:

- Ensure that they have the requisite authorization from their current or prospective Customers before initiating any Customer related transaction;
- Use the unique Site identifier as the primary means of communicating changes to Site status;
- Provide EPC with up-to-date basic Customer information (including emergency contact, account name, addresses and phone numbers) for all Sites that they service; and
- Be responsible for all charges associated with a Site until 7 Calendar Days after a request to drop the Site is received by EPC in accordance with Section 14.6 of these Terms and Conditions, or another Retailer enrolls that Site.
- Act as the main point of contact with Customers
- Request services on behalf of Customers

EPC expects to have limited direct contact with Retailers' Customers. Therefore, Retailers will be the main source of electricity industry information for their Customers. Calls from Customers regarding a power outage or distribution system should be directed immediately to (403) 514-6100 (EPC's 24 hour trouble line).

(* Call 9-1-1 if the Customer is experiencing a life-threatening emergency.)

The Retailer shall be responsible for having all necessary and appropriate contractual or other arrangements with its Customers consistent with applicable statutes and regulations and these Terms and Conditions.

Retailers are financially responsible for all service requests made on behalf of their Customers. EPC will bill Retailers for services on a Monthly basis.

14.2.1 Retailer Due Diligence

It is the Retailer's responsibility to ensure that the Customer enrollment is valid. Retailers are expected to have the required authorization from the Customer for the switch (i.e., the Retailer must confirm that the Customer wishes to be switched, and has explicitly given approval for the switch).

14.2.2 Enrollment Submission and Notification

Retailers must comply with EPC's enrollment submission and notification procedures. When making an enrollment request, Retailers must supply:

- A "Select Retailer" request as specified in the Settlement System Code; and
- An "Update Customer Information" transaction, as specified in the Settlement System Code.

In addition, Retailers must comply with the Enrollment Mechanics as described in the current Settlement System Code.

EPC requires a full complement of Customer information as described in the Settlement System Code as an "Update Customer Information" transaction.

Customer Site specific information will include:

- Retailer name, identification and contact information;
- EPC meter number; and
- Customer Site identification number and contact information.

Retailers must submit enrollment notices (with associated Customer information notices) via a batch file, in accordance with the current Settlement System Code. Initiating Retailers will be provided with confirmation of the results of the processing, including any reasons for failure. Where an enrollment is successful, EPC will inform the old Retailer of Record at that Site, if any, of the loss of service and the date this loss occurred.

Enrollment of a site is irrevocable and the Retailer bears full responsibility for the accuracy of enrollment transactions submitted to EPC. A Retailer that erroneously enrolls a site will bear responsibility for the associated Distribution Tariff costs and any other financial implications associated with the error.

14.3 Provision of Customer Information

Upon Customer enrolment, the Retailer shall be obligated to provide accurate Customer information with regard to the "Update Customer Information" transaction.

Retailers shall submit a "Update Customer Information" transaction to EPC in order to change any Customer enrollment information.

Retailer failure to provide accurate Customer information may result in suspension of retailer eligibility.

14.4 Termination of Retailer Relationship with Customer

To terminate its relationship with a Customer, a Retailer shall submit a "De-Select Retailer " notice to EPC, in accordance with the Settlement System Code, or may alternatively utilize a "Retailer Drops Customer" function on EPC's website.

14.5 Energize Site

EPC records that a Site has been Energized at the successful conclusion of the process of requesting an Energy service connection. Requests for service are processed manually as follows:

- The Retailer will request the service connection, on behalf of the Customer;
- The Retailer must provide the Site identification up-to-date basic Customer information (including emergency contact, account name, addresses and phone numbers), information regarding the location of the premises to be served, the Customer's Connected Load and preferred supply conditions and the manner in which Services will be utilized;
- EPC will ensure that the Site is enrolled with that particular Retailer before commencing service;
- The Retailer must provide an estimate of the average monthly consumption for use in settlement prior to establishing actual consumption figures based on meter readings. EPC will authorize this estimate, and override the number where it considers a revised figure to be more appropriate;
- EPC offers a system to record that the Site has been Energized after the service connection has been made; and
- The Retailer will provide any other information that EPC reasonably requires.

14.6 Site Drop

Dropping a Site breaks the link between a Retailer and a Site, so that the Retailer is no longer responsible for Settlement or wholesale billing charges for that Site. The only other way that the Retailer/ Site link can be broken is by another Retailer enrolling the Site. Retailers must inform Customers of their intent to drop a Site, and of the Customer's rights to apply, to the Default Supplier, at the same time the Retailer request to drop the Site is submitted.

EPC will make the drop request effective 7 Calendar Days after receipt of the request to drop. Any request by another Retailer to enroll the Site received within the 7-day waiting period will "stop the clock" on the drop request, the enrollment request will be processed and the drop request will be terminated. The "old" Retailer will be informed of the date the Site is dropped or lost through enrollment.

In the event that the full drop waiting period expires without a request by another Retailer, EPC will pass the information it has about the Site and the Customer at this

Site (if any) to the Default Supplier, thereby automatically transferring responsibility to the Default Supplier.

14.7 De-nergize Site

All Retailers may request EPC to De-energize a site, either permanently or in case of demolition, or temporarily for vacancy purposes (for example). Only the Default Supplier may request a De-energize for financial purposes. Only the Default Supplier or EPC may request the installation of a load limiting device.

14.7.1 Re-energize Site

All Retailers may request EPC to Re-energize a site after a temporary De-energization. Only the Default Supplier may request a Re-energize after a financial De-energization. Only the Default Supplier or EPC may request removal of a load limiting device.

14.8 Retiring Site Identification

Site identifications, once created and Energized, are included in Load Settlement and form the basis for billing until the Site is abandoned by EPC.

14.9 Identification Numbers

Electronic information exchange between the Retailer and EPC under these Terms and Conditions shall employ a Retailer identification number, this identification number will be the Canada Customs and Revenue Agency business number as mandated by the ISO. EPC will assign a unique site identification number to each individual site. The site identification number is available in the on-line site identification catalogue.

15.0 BILLING

EPC will bill Retailers separately for Distribution Tariff services and transaction related services.

15.1 Billing for Distribution Tariff Services

EPC will provide bills to each Retailer by Customer rate class in accordance with the Distribution Tariff Rate Schedules. The bill will include tariff calculations by Rate Class for the Billing Period and adjustments based on reconciliations of prior Billing Periods.

Bills for Retail Access Services from EPC are due and payable 15 days after the date of billing as indicated on the bill.

15.2 Billing for Transaction Service and Fee Based Services

EPC will bill for transaction services and fee based services on a monthly basis unless otherwise agreed to in writing. The bill will contain an itemized list of services provided, charges and Customer contact information. Transaction-based or fee based services will be billed at the end of the month in which the work was completed or according to the Fee Schedule.

Bills for transaction services and fee based services from EPC are due and payable 30 days after the date of billing as indicated on the bill. Payment shall be made by electronic funds transfer to the bank account specified by EPC or by cheque payable to EPC.

15.3 Payment by Customer

Retailers will be responsible for any direct billing to and collections from their Customers.

15.4 Late Payment Charges

Any bill rendered to a Retailer for which valid payment has not been received in accordance with Section 15.1 and Section 15.2 of these Terms and Conditions shall be considered past due. On the first day following the payment due date, late payment charges as set out in the Fee Schedule will be applicable to all overdue billed amounts, including arrears and previously unpaid late payment charges.

Payments will be applied first to arrears and then to current charges.

15.5 Default or Failure to Pay

Distribution Tariff Services

Retailers who fail to make payments on time will be notified immediately. Failure to make full payment after notification may result in suspension of Retailer eligibility status, in accordance with Section 16.0 of these Terms and Conditions.

Transaction Service and Fee Based Services

Retailers who fail to make payments on time for transaction services and fee-based services will be subject to normal credit action, which may include, but is not limited to:

- Reminder letters;
- Notification by phone;
- Use of collection agencies;
- Requiring prepayment before additional service;
- Withholding of additional service; and
- Legal action.

15.6 Estimated Bills

EPC reserves the right to estimate bills to Retailers.

15.7 Payment of Accounts

The Retailer shall pay the entire amount stated on the bill by the due date without deduction, set-off or counterclaim, notwithstanding any dispute in whole or in part of the amount. Any undisputed amounts must be paid by the due date or interest will be charged. Bills shall be deemed paid when payment is made either by way of cheque or electronic funds transfer to the bank account specified by EPC pursuant to the Retail Access Services Agreement. Payments received in foreign currency will be credited to the Retailer's account based on the foreign exchange dealer bid price that EPC receives on the date the payment is deposited. Any dispute with respect to a bill from EPC to a

Retailer shall be resolved in accordance with current EPC Distribution Tariff dispute resolution processes.

Failure to receive a bill does not release a Retailer from the obligation to pay the amount owing for any Retail Access Services provided by EPC with payment due dates as outlined in Section 15.1 of these Terms and Conditions.

15.7.1 No Payment Required

No payment shall be required on bills or credit bills on which the absolute value of the total amount due is less than $10.00.

15.7.2 Refunds

Refund cheques will be generated for credit bill balances exceeding $10.00 and 30 days on Retailer's account.

15.8 Billing Adjustments

Where EPC overcharges or undercharges a Customer as a result of a billing error including, but not limited to, PFAM's incorrect meter reads or clerical errors by an EPC representative applying the wrong rate, wrong billing factor, or an incorrect calculation, EPC may render an adjusted bill for the amount of the undercharge, without interest, and shall issue a credit to the Retailer for the amount of the overcharge, without interest, in accordance with the following procedures. These procedures refer to adjustments that would be required outside the normal cycle of Initial Monthly, Interim Monthly, and Final Settlement invoicing. Wherever possible, all billing errors will be corrected through the Interim and Final Reconciliation Settlement invoicing. :

- If a Retailer is found to have been overcharged due to a billing error, EPC will calculate the amount of the overcharge for credit to the Retailer on the Retailer's next bill following the discovery of the billing error for those months during which a billing error occurred up to a maximum period of 12 months immediately preceding the month in which the billing error is discovered. Overpayments will be offset against any invoices outstanding, unless a request to the contrary is received from the Retailer.

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- If a Retailer is found to have been undercharged due to billing error, EPC may bill the Retailer for those months during which a billing error occurred up to a maximum period of 12 months immediately preceding the month in which the billing error is discovered. Payment from the Retailer will be due in accordance with Section 15.1 of these Terms and Conditions.

15.8.1 Demand Waiver

EPC may consider a Demand waiver when:

(i) The new peak Demand is the result of an EPC power outage, which consequently requires the simultaneous start of the Customer's equipment. The Customer's normal Demand will replace the new peak Demand for billing purposes in this situation; or

(ii) The new peak Demand is the result of a fire, explosion or similar disaster at the Customer's facility. The new peak Demand will be used for billing purposes for the billing period during which the new peak Demand was established, but it will be waived for ratchet purposes for future bills; or

(iii) There is a new plant start up and a commissioning period is agreed upon in which Demands set are not considered the Demands for billing purposes; or

(iv) A Customer's productive operations are entirely shut down for a continuous period of more than 15 days solely by reason of fire, flood, wind, action of the elements, acts of God, or other accident or casualty beyond the Customer's control, and the Customer immediately notifies EPC in writing upon the Customer's knowledge of such event. During this time, any Minimum Charge provision of the applicable Rate schedule may be waived. The Customer must give notice to EPC prior to resumption of any productive operations.

16.0 ELIGIBILITY OF RETAILER

16.1 Eligibility of Retailer

Before EPC will provide Retail Access Services to a Retailer pursuant to these Terms and Conditions, a Retailer must meet and maintain the following eligibility requirements:

16.1.1 Licensing

The Retailer must be duly licensed and registered, where applicable, with Alberta Energy, Alberta Government Services, the ISO and subject to any regulations or policies made under the *Fair Trading Act* to sell or provide Electricity Services.

16.1.2 Prudential Requirements

EPC's determination of the prudential requirements necessary for each Retailer to satisfy EPC that the Retailer is capable of meeting its obligations is final and is not subject to dispute or negotiation and is not subject to the dispute resolution process set out in Section 6.0 of these Terms and Conditions. All costs associated with obtaining financial security and meeting prudential requirements are the responsibility of the Retailer.

The Retailer must provide assurance to EPC that it is capable of meeting its payment obligations under the Distribution Tariff, by either satisfying the credit or security requirements as follows:

Credit Requirements

Retailers are required to provide copies of their audited financial statements and credit rating reports in addition to any other information which may reasonably be deemed necessary by EPC to establish and monitor the Retailer's ability to pay and/or creditworthiness.

Security Requirements

At EPC's sole discretion, Retailers must provide and maintain security in one of the following ways:

- Obtaining a guarantee of payment from a guarantor who satisfies EPC's credit requirements;
- Providing an irrevocable letter of credit from a Canadian chartered bank or equivalent lending institution satisfactory to EPC; or
- Providing a cash deposit.

The security deposit must be in an amount equal to the value projected by the Retailer of the Retailer's payments under EPC's Distribution Tariff over a period equal to 75 days.

EPC, in its sole discretion, may change the amount and/or type of instrument of security required from the Retailer, as EPC changes its assessment of the EPC services provided to the Retailer.

If there is a decrease in the amount of security required, EPC will accept a substitution letter of credit or guarantee for the lower amount or return the surplus cash deposit upon request.

Security can be waived at the sole discretion of EPC.

Retailers must allow a minimum of 20 Business Days before commencement of Site enrollment. This provides EPC adequate time to complete a thorough financial review.

16.1.3 Agreement between EPC and Retailer

The Retailer must have entered into a Retail Access Services Agreement with EPC and the Retail Access Services Agreement must be in full force and effect.

16.1.4 Communications Capabilities

The Retailer must have in place all required information technology systems that will enable it to send data to and receive data from EPC, in accordance with the current SSC and satisfy its obligations under these Terms and Conditions.

This connectivity test for data exchange will be entered into only with prospective Retailers who have formally initiated the eligibility process described in Section 16.0 of these Terms and Conditions.

16.2 Confidentiality

EPC shall keep all Retailer specific credit and security information confidential unless EPC has the Retailer's written authorization and consent to disclose such information to third parties, provided however that such information shall not be subject to such confidentiality where such information:

(a) is generally available to the electric industry or the public at the time of disclosure;

(b) subsequent to receipt by EPC, becomes generally available to the electrical industry or the public as a result of a disclosure by the Retailer or any Person authorized by the Retailer;

(c) was available to EPC on a non-confidential basis prior to its disclosure to EPC;

(d) subsequent to receipt by EPC, EPC can establish, by competent evidence becomes available to EPC on a non-confidential basis from a source other than the Retailer or an authorized representative of the Retailer, without breach of these Terms and Conditions; or

(e) must be disclosed by law to a governmental authority where there is no reasonable alternative to such disclosure.

17.0 CUSTOMER PROTECTION

17.1 Disclosure

Customers always have the right to access their information held by a Retailer or EPC. Any Retailer chosen by a Customer should have access to basic information held by EPC that is needed to serve the Customer and operate its business efficiently.

EPC will ensure that third party access to Customer specific information is restricted unless the Customer consents to the disclosure of this information in a manner permitted under ENMAX's Inter-Affiliate Code of Conduct or the Code of Conduct Regulation, provided however that such information shall not be considered confidential where:

- the information is generally available to the public; or

- must be disclosed by law to a governmental authority where there is no reasonable alternative to such disclosure.

Information may be transferred without consent in the case of legal, regulatory or law enforcement requirements (e.g., transfer of electricity information for drug investigations).

17.2 Errors Discovered by Retailers

When a Retailer discovers that an error has been made in data it has transmitted to EPC, the Retailer shall correct the error and notify EPC immediately.

PART C: CONSUMER SERVICES

18.0 CONSUMER SERVICES

18.1 Provision of Consumer Services

EPC will provide Consumer Services to Customers requesting such services and who meet the application requirements set out in these Terms and Conditions. EPC will make reasonable efforts to provide Consumer Services that will allow for the supply of Energy to the Customer's facilities at a nominal 60-Hertz alternating current and at the nominal voltage level for the Service Connection and variations, which comply with the Canadian Standards Association standards. EPC shall make all reasonable efforts to provide a continuous supply of Energy to its Customers, but cannot guarantee an uninterrupted supply of Energy. Notwithstanding any other provision of these Terms and Conditions, in case the Consumer Services are interrupted by defective equipment or fail from an event or cause of Force Majeure or through the negligence of EPC's employees, servants or agents, EPC will not be liable for the defect, irregularity, interruption or failure.

Procedural and technical requirements that must be met prior to connecting facilities to the EPC Electric Distribution System within the network boundary are described in the document entitled "Network Servicing Policies and Guidelines". Procedural and technical requirements that must be met prior to connecting facilities to the EPC Electric Distribution System outside the network boundary are described in the document entitled "Technical Terms and Conditions for Distribution Wires Access". Both documents are posted on the EPC website.

18.2 Application for Consumer Services

A Customer may apply for Consumer Services to allow for the supply of Energy as set out in Section 18.1 of these Terms and Conditions. Some voltage levels may not be available at all locations served by EPC's Electric Distribution System. Applications will be received through any agent or duly authorized representative of EPC. Only the owner of the premises to be served may be the Customer of record unless a tenant provides a signed lease or other evidence demonstrating occupancy for at least a consecutive six-month period, in which case the tenant shall be the Customer of record.

18.2.1 Method and Form of Application

All Customers, Retailers or agents of Customers applying for Consumer Services must be of legal age to contract for Consumer Services with EPC. EPC reserves the right to verify the identity of the Customer and the accuracy of the information provided and to require the Customer to sign an application in writing on forms provided by EPC. No servant, agent or employee of EPC is authorized to modify orally any provisions of a written application or to bind EPC to any promise or representation contrary thereto. Modifications of written applications shall be in writing and duly executed by an authorized EPC representative.

18.2.2 Application by Retailer or Other Person

A Retailer or any other Person acting as agent of a Customer may apply for Consumer Services on behalf of the Customer if the Retailer or other Person provides EPC with verifiable authorization from the Customer that the Retailer or other Person is authorized by that Customer to make the application. The Customer authorization must be dated and signed by the Customer, and must include the Customer's name and explicit expression of the Customer's intention to obtain Consumer Services at a specified Site.

18.2.3 Provision of Information

Upon request, EPC shall furnish to any Person, detailed information on the method and manner of making application for Consumer Services. Such information may include a copy of EPC's "Technical Terms and Conditions for Distribution Wires Access" and "Network Servicing Policies and Guidelines", a description of the Service Connections available, connections necessary between EPC's Facilities and the Customer's facilities and premises, location of entrance Facilities and metering equipment, and Customer and EPC responsibilities for installation, operation and maintenance of Facilities.

EPC may require an applicant for Consumer Services to provide:

- information regarding the location of the premises to be served, the Customer's Connected Load and preferred supply conditions and the manner in which Consumer Services will be utilized;
- credit information or references;

- any other information outlined in EPC's "Technical Terms and Conditions for Distribution Wires Access" and "Network Servicing Policies and Guidelines", or that EPC reasonably requires; and
- an estimate of usage per month, on a dollar basis.

Upon receipt of the required information, EPC will advise the applicant of the type and character of the Consumer Services it will furnish to the Customer, if any, any special conditions that must be satisfied before EPC will provide any Consumer Services, the Site at which the Consumer Services will be provided, the Customer's Distribution Tariff Billing Demand and, if requested, the location of EPC's metering and related equipment.

18.2.4 Rejection of Application

EPC may, in its sole discretion, reject any applicant's request for Consumer Services, including in the following circumstances;

- where the type of Consumer Services applied for are not available or normally provided by EPC in the locality where the Consumer Services are requested;
- where the applicant or the Customer does not have currently in force all permits, certificates, licenses, or other authorizations or right-of-way agreements that may be required for the installation and operation of Consumer Services;
- where EPC determines, in its sole discretion, that the Customer is not creditworthy or a previous account held by the Customer with EPC is in arrears;
- where the Customer fails to provide a security deposit or letter of credit from a suitable financial institution in form and substance acceptable to EPC;
- where any representation made by the applicant or the Customer to EPC for the purpose of obtaining Consumer Services is, in EPC's opinion, fraudulent, untruthful or misleading;
- where the Customer has not, when requested by EPC to do so, provided a signed written application for Consumer Services; or

- where the proposed loads, in EPC's opinion, have characteristics that might adversely affect the quality of service supplied to other Customers, the public safety, or the safety of EPC's Personnel.

18.2.5 Approvals

The applicant for Consumer Services shall be responsible for obtaining all permits, certificates, licenses, inspections, reports, and other authorizations and right-of-way agreements necessary for the installation and operation of the Consumer Services and shall submit copies of them to EPC upon request. EPC shall not be required to commence or continue installation or provision of Consumer Services unless and until the applicant and the Customer have complied with the requirements of all governmental authorities, all permits, certificates, licenses, inspections, reports and other authorizations, and all right-of-way agreements, and all EPC requirements applicable to the installation and provision of Consumer Services.

18.3 Responsibilities

18.3.1 Rights of Way

At the request of EPC, the Customer shall grant, or cause to be granted to EPC, without cost to EPC, such easements, rights-of-way and rights of entry over, upon or under the property owned, occupied or controlled by the Customer as EPC reasonably requires for the construction, installation, maintenance, repair and operation of the Facilities required for Consumer Services and the performance of all other obligations required to be performed by EPC hereunder.

In all agreements between the Customer and EPC regarding the management of vegetation, the Customer is required to give EPC permission to manage and remove vegetation on the property owned or controlled by the Customer and the right to maintain proper clearances in accordance with the Alberta Electrical and Communications Utility Code. EPC will make every effort to notify the Customer before such work is performed.

The Customer shall not install or allow to be installed on property owned or controlled by the Customer any temporary or permanent structures that could interfere with the proper and safe operation of EPC's Facilities or result in non-compliance with applicable statutes, regulations, standards and codes.

18.3.2 Customer Liability

For Customer owned equipment and facilities, the Customer assumes full responsibility for the proper use of Consumer Services provided by EPC and for the condition, installation, suitability and safety of any and all wires, cables, devices or appurtenances or Facilities Energized on the Customer's premises, or on premises owned, controlled or occupied by the Customer.

18.3.3 Protective Devices

The Customer shall be responsible for determining whether the Customer needs any devices to protect the Customer's facilities from damage that may result from the use of Consumer Services including, without limiting the generality of the foregoing, single phasing protection on three-phase Service Connections. The Customer shall provide, install, and maintain all such devices.

18.3.4 Standards for Interconnection

The Customer's installation shall conform to the requirements of EPC's "Technical Terms and Conditions for Distribution Wires Access" or "Network Servicing Policies and Guidelines" and/or such further requirements as EPC may establish from time to time. Copies of such requirements are available from EPC and will be posted on the EPC website.

18.3.5 Suitability of Equipment

All of the Customer's facilities shall be suitable for operation with Consumer Services and Facilities provided by EPC. The Customer shall not use Consumer Services for any purpose, or with any apparatus, that would cause a disturbance to any part of EPC's Electric Distribution System.

18.4 Connections

18.4.1 Interference with EPC's Property

No one other than an authorized employee or agent of EPC shall be permitted to remove, operate, or maintain meters, electric equipment or other EPC Facilities. The Customer shall not interfere with, extend or alter EPC's meter, seals or other Facilities or permit the same to be done by anyone other than the authorized agents or employees of EPC. EPC property shall be installed at points most convenient for EPC's access and service and in conformance with public regulations in force from time to time. The Customer shall be responsible for all destruction, loss or damage to EPC's meters, electric equipment, seals or other Facilities located on the Customer's premises or on premises owned, operated or controlled by the Customer where the destruction or damage is caused by a negligent act or omission or willful misconduct of the Customer or anyone permitted by the Customer to be on the premises, provided however, that the Customer shall not be liable for such destruction, loss or damage where such destruction, loss or damage is occasioned by circumstances beyond the Customer's control.

18.4.2 Protection of EPC's Equipment

The Customer shall furnish and maintain, at no cost to EPC, the necessary space, housing, fencing, barriers, and foundations for the protection of Facilities necessary for the provision of Consumer Services to be installed upon the Customer's premises, or on the premises owned, occupied or controlled by the Customer, whether the Facilities are furnished by the Customer or by EPC. Such space, housing, fencing, barriers and foundations shall be in conformity with applicable laws and regulations and subject to EPC's specifications and approval. If the Customer refuses, EPC may at its option furnish and maintain, and charge the Customer for furnishing and maintaining, the necessary protection.

18.4.3 Unauthorized Use or Unsafe Conditions

If EPC determines that there has been an unauthorized use of Energy or Consumer Services including but not limited to any tampering with a meter or other EPC Facilities, unauthorized Energization or Re-Energization, or theft, fraud, intentional or unintentional use of Energy whereby EPC is denied full compensation for services provided, EPC may make such changes in its meters, appliances, or other Facilities or take such other corrective action as may be appropriate to ensure only the authorized use of the Facilities and Consumer Services, and also to ensure the safety of the general public and EPC Personnel and the Customer is hereby deemed to consent to such corrective action. Upon finding an unauthorized use of Facilities or Energy or finding that Consumer Services have not been used in accordance with these Terms and Conditions, EPC may discontinue the Consumer Services and charge the Customer, Retailer or any other Person acting as agent for the Customer for all damages suffered by EPC and all costs incurred in correcting the condition. Nothing in this Section 18.4.3 of these Terms and Conditions shall be deemed to constitute a waiver of any other rights of redress which may be available to EPC or to limit in any way any legal recourse which may be open to EPC.

18.4.4 Relocation of EPC's Facilities

The costs of relocating EPC's meter, seals or other Facilities shall be borne by the Customer when done at the Customer's request, for the Customer's convenience, or if necessary to remedy any violation of law or regulation caused by the Customer. If requested by EPC, the Customer shall pay the estimated cost of the relocation in advance.

18.4.5 Customer's Facilities

The Customer will ensure that its facilities comply with the applicable requirements of the Canadian Electrical Code and with all technical guidelines issued from time to time by EPC. The Customer shall not use its Consumer Services in a manner so as to cause undue interference with any other Customer's use of Consumer Services such as an abnormal disturbance to the voltage, frequency and waveform of the Energy supply. At EPC's request, the Customer shall take whatever action is required to correct such interference or disturbance at the Customer's expense. Alternatively, EPC may elect to correct the interference or disturbance at the Customer's expense.

The Customer shall not, without the written consent of EPC use its own facilities in parallel operation with EPC's Electric Distribution System. A Customer shall not extend or permit the extension of its facilities connected to EPC's Electric Distribution System beyond property owned, controlled or occupied by that Customer.

18.5 Change in Consumer Services

18.5.1 Prior Notice by Customer

A Customer shall give EPC reasonable written notice prior to any change in the Customer's requirements for Consumer Services, including any change in Connected Load, to enable EPC to determine whether it can accommodate such change without alterations to its Facilities. A Retailer or any other Person who is acting as agent for a Customer and who provides EPC with verifiable authorization from the Customer may give such notice to EPC on the Customer's behalf. If EPC receives such notice from a Retailer or other Person, EPC may at its option require that such notice be provided directly from the Customer.

The Customer shall not change its requirement for Consumer Services without EPC's written permission. The Customer shall be responsible for all damages, whether direct or indirect or consequential, caused to EPC's Electric Distribution System or Facilities as a result of the Customer changing its requirements for Consumer Services without EPC's permission.

18.5.2 Changes to EPC's Facilities

If EPC must modify its Facilities to accommodate a specific request of change, howsoever caused, in a Customer's requirements for Consumer Services, the Customer shall pay for all costs attributable to such modification including, without limitation, the following costs:

- EPC's stranded investment as determined by, the estimated original capital cost of EPC's Facilities being removed, less any contribution-in-aid-of-construction made to the capital cost of those Facilities, less accumulated depreciation, plus
- the estimated cost of removing EPC's Facilities, less the estimated salvage value, plus
- the estimated cost of installing EPC's new Facilities, less
- any applicable EPC investment.

18.6 De-energization of Service

18.6.1 De-energization at Request of Retailer

EPC will discontinue or reduce the capability of the Customer's Consumer Services at the request of a Retailer in accordance with EPC's Energization and De-energization policies approved by the Board from time to time and set out in these Terms and Conditions.

18.6.2 De-energization at Request of Customer

The Customer may at any time on thirty (30) days prior oral or written notice to EPC, request the De-energization of the Electricity Services. De-energization notice can be revoked with at least 48 hours notice in advance of the scheduled De-energization date. The Customer may be required to pay for any unrecovered investment made by EPC in respect of providing the Customer's Electricity Services.

18.6.3 De-energization for Safety Reasons

EPC reserves the right to De-energize Consumer Services to a Customer at any time without notice, or to refuse to make such Consumer Services available to the Customer, where, in EPC's opinion, any of the following conditions exist:

- the Customer has permitted the Customer's facilities to become hazardous;
- if to EPC's knowledge or in its judgment, the Customer's facilities are unsafe or defective or will become unsafe or defective imminently;
- the Customer's facilities fail to comply with applicable statutes, regulations, standards and codes and EPC's requirements; or
- the use of Consumer Services may cause damage to EPC's Facilities or Electric Distribution System or interfere with or otherwise disturb any other service provided by EPC.

EPC will continue Consumer Services when the condition has been rectified to EPC's satisfaction, when the Customer has provided, or paid EPC's costs of providing, such Facilities as may be necessary to rectify the condition and prevent the condition from reoccurring, and the Customer's facilities are approved by the appropriate authority. EPC shall make a reasonable effort to notify each Customer within a reasonable time after De-energization, of the reason for the De-energization and the actions required for Re-energization.

18.6.4 De-energization Other Than for Safety

EPC may at any time, after having given at least 48 hours' prior oral or written notice to a Customer and without any further notice, discontinue Consumer Services to the

Customer or install a current-limiting device to restrict the capability of Consumer Services if the Customer:

- violates any provision of these Terms and Conditions or the Distribution Tariff;
- tampers with any service conductors, seals or any other EPC Facilities or any meters, whether or not provided by EPC;
- neglects or refuses to pay when due, all amounts required to be paid under these Terms and Conditions or Fee Schedule or Rate Schedule;
- changes its requirements for Consumer Services without the written permission of EPC; or
- provides EPC with incorrect information or makes fraudulent or unauthorized use of Consumer Services.

18.6.5 Restoration of Service

If Consumer Services to a Customer are restricted by a current limiting device or De-energized (other than for safety reasons and whether at the request of the Customer or not) the Customer shall pay the following amounts prior to EPC Re-energizing Consumer Services:

- any amount owing to EPC; and
- a Re-energization charge in accordance with the Fee Schedule which forms part of the Distribution Tariff, if Consumer Services are restored during EPC's normal business hours, or, in any other case, an amount not exceeding EPC's actual cost of Re-energization.

18.6.6 Removal of Facilities

Upon termination of Consumer Services, EPC will be entitled to enter upon and remove from the property owned, occupied or controlled by the Customer any of EPC's Facilities located upon the property.

18.6.7 Fee Schedule

EPC reserves the right to impose reasonable fees and charges pursuant to the various provisions of these Terms and Conditions and as approved by the Board. The fees and charges shall be set out in the Fee Schedule.

18.7 Residential Investment Policy

18.7.1 Responsibilities:

EPC and the Developer will each be responsible for specific development costs as follows:

- The EPC residential investment level will cover the costs to provide modified Underground Residential Distribution ("URD") system (i.e., overhead main feeder) including the material cost associated with the service coil to standard subdivision developments as defined in Section 18.7.2 of these Terms and Conditions;
- The Customer shall be responsible for the installation and all future maintenance of the service coil on the Customer's property;
- For non-standard subdivision and multi-family dwelling developments, the Developer shall pay the actual costs of construction including the service coil less the EPC residential investment level; and
- For a total underground distribution system (i.e. underground main feeder), the Developer shall pay the actual cost of the underground feeder less EPC's allowance for an overhead feeder.

18.7.2 Conditions of Standard Subdivision Detached and Semi-Detached Dwelling Units

The EPC residential investment level is based on a standard detached and semi-detached dwelling units Subdivision subject to the following conditions:

- The average lot width shall be twenty-three (23) metres or less;

- An average of at least seven (7) lots shall be serviced from each new transformer installed;
- Transformers which were installed previously to serve earlier portions of a subdivision shall be used where possible;
- The distance from the nearest primary supply point to the first transformer divided by the number of lots shall be less than or equal to twelve (12) metres per lot;
- Only 100 Amp and 200 Amp services are provided;
- Any portion of a subdivision involving re-lotting of previously serviced lots is excluded; and
- There shall be at least fifteen (15) lots in any one Development Area.

Where development is other than detached or semi-detached dwelling units, or where the foregoing conditions for detached or semi-detached dwelling units are not met, the cost to the Developer shall be the actual cost of construction less the EPC residential investment level.

18.8 Non-Residential Investment Policy

For commercial services, EPC will invest in service connection(s) to a property or building as outlined below:

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Part C: Consumer Services

Customer Type	ENMAX Investment Policy
Small Commercial (Rate Code D200), Distributed Generation (Rate Code D600), Streetlighting (Rate Code D500)	First $10,000.
Medium Commercial – Secondary (Rate Code D300), Large Commercial – Secondary (Rate Code D310), Distributed Generation (Rate Code D600)	$250/kVA of Minimum Contract Demand up to 80% of anticipated maximum demand (Minimum Contract Demand in network area is estimated)
Medium Commercial – Primary (Rate Code D400), Large Commercial – Primary (Rate Code D410) Distributed Generation (Rate Code D600)	$75/ kVA of Minimum Contract Demand up to 80% of anticipated maximum demand (Minimum Contract Demand in network area is estimated).
Overhead and Underground	$6000/lot
Commercial Subdivision	(not applicable in network area)
Irrigation Services (Controls), Temporary Services (includes Sign Services)	N/A

For commercial/industrial services, the following conditions shall apply:

- **Minimum Contract Demand**: the kVA of capacity contracted for by the Customer;
- **Contract Term**: the term of the standard contract will be 15 years;
- **Contract Obligation:** the contract applies to the original, contracted owner;

- **Customer Demand Obligation:** the Customer's Billing Demand shall be the greater of the "Minimum Contract Demand" or the highest kVA demand in the last 12 months. Within the network (or downtown) area, the Minimum Contract Demand is estimated;

- **Contract "Buy Down":** Customers are permitted to "buy down" the EPC investment, and therefore reduce their Minimum Contract Demand, with a linear reduction factor over a 15 year time frame according to the following formula:

  - Customer "Buy down" cost = (Original EPC investment – Reduced EPC investment) x (1- (Contract Year/15))

- **Line Contribution Refunds:** EPC does not currently employ this practice and we are not endorsing the refund of Contribution-in-aid-of-construction from one Customer to another;

- **Staged Loading by Customer:** standard investment levels will apply for Customers with staged loading subject to the full contract minimum being in place within 2 years of energization;

- **Distributed Generation Investment Policy:** maximum export limit will be used as "Minimum Contract Demand" for EPC investment calculation;

- **Optional Facilities:** EPC's investment will only apply to facilities deemed reasonable, useful, and justifiable to EPC engineering staff. Facilities requested by a Customer that, in the opinion of EPC, are not reasonable, useful, or justifiable, shall be entirely at the cost of the Customer; and

- **Transmission Facilities:** this policy does not in any way apply to or include transmission or substation related capital costs.

19.0 REVENUE METERING EQUIPMENT

19.1 Installation of Meters

19.1.1 Provision and Ownership

EPC shall provide, install and seal one or more meters for the purpose of measuring the Energy delivered to a Customer. Each meter shall remain the sole property of EPC regardless of the degree to which the meter may be affixed to the Customer's premises, or to premises owned, occupied or controlled by the Customer or equipment.

Time of use or interval meters shall be installed for a Customer who has a Load equal to or exceeding 150 kVA at least twice in a 12-month period. For new Customers moving into existing space, EPC will make an estimate of Site Demand, and if the estimate is greater than or equal to 150 kVA, an interval meter will be installed. For an existing Site where modifications are made to the infrastructure requiring Load to be equal to or in excess of 150 kVA, an interval meter will be installed. In these cases, the costs of the new interval meter, including installation, will be borne by EPC.

Should a Customer request that an interval meter be installed or a communication device be attached to the existing meter, the request shall be made in accordance with the provisions set out in the Technical Terms and Conditions for Distribution Wires Access (available on the EPC website). EPC shall provide, install, test, and maintain the requested metering or communication device. The Customer shall bear the cost incurred by EPC in providing and installing the meter or attaching the communication device per the Fee Schedule. Upon installation, the meter or communication device shall remain the property of EPC and will be maintained by EPC. EPC shall complete installation of the meter or attachment of the communication device, if reasonably possible, within 30 days of receiving a request from the Customer. EPC shall invoice the Customer upon installation.

19.1.2 Responsibility of Customer

Each Customer shall provide, own and install a meter socket or meter enclosure and other approved and required facilities suitable for the installation of EPC's meter or metering equipment in accordance with EPC's current Technical Terms and Conditions for Distribution Wires Access.

19.2 Installation of Metering Equipment

Installation of metering equipment shall be designated in accordance with the requirements of the Revenue Metering Guide, which can be accessed through EPC's website.

19.3 Access to Metering Equipment

EPC may, at any reasonable time, read, inspect, remove and test its meter installed on property owned or controlled by the Customer. EPC's employees, agents and other representatives shall have the right to enter property owned, occupied or controlled by a Customer at all reasonable times and intervals for the purpose of installing, maintaining, replacing, testing, monitoring, reading or removing EPC's electrical equipment and appliances or other Facilities or of discontinuing service or for any other purpose incidental to the provision of Consumer Services and the Customer shall not prevent or hinder EPC's entry.

19.4 Changes to Metering

EPC may at any time change any meter it installed.

Customer requests for a new meter will be processed as per the Technical Terms and Conditions for Distribution Wires Access which can be accessed through EPC's website.

20.0 TRANSMISSION CONNECTED SERVICES

20.1 General

Transmission Connected Customers taking Transmission Connected Services from EPC will be subject to the provisions of the ISO approved tariff as it applies to EPC at the Point of Delivery ("POD") to which the Transmission Connected Customer's service is connected. This includes an application of all tariff amounts such as, but not limited to, contributions, riders, application fees, miscellaneous charges, study costs or ISO deferral account dispositions that are paid to or refunded by the ISO, in accordance with the ISO's approved tariff.

20.2 System Access Service

EPC arranges for provision of System Access Service from the ISO for all Customers. The arrangements for System Access Service and the associated transmission facilities for Transmission Connected Customers will be aligned with the Transmission Load Customer's service requirements recognizing that the rates, terms and conditions of the ISO tariff will be applied directly to the Transmission Connected Customer.

EPC is not obligated to commit to the ISO for commencement of the construction of new facilities required for System Access Service for a Transmission Connected Customer until adequate credit arrangements, guarantees and Commitment Agreements, acceptable to EPC, are made with the Transmission Connected Customer.

The Transmission Connected Customer is required to sign an interconnection agreement with the transmission facility owner prior to the System Access Service Agreement being executed.

20.3 Metering

The meter of the Transmission Connected Customer is the meter at the respective Point of Delivery. Consequently, metering equipment shall be installed in accordance with any ISO metering requirements. Any contribution associated with installation, changes or upgrades to metering to satisfy these requirements will be the responsibility of the Transmission Connected Customer.

20.4 Tariff

A Transmission Connected Customer will be billed in accordance with the Distribution Tariff.

20.5 Investment Policy

If a Customer contribution is required by the ISO for transmission facilities to provide System Access Service to a Transmission Connected Customer, a charge for such contribution will apply directly to the Customer. Payment must be made in accordance with the ISO tariff.

20.6 Changes to System Access Service

For any POD that is a Service Connection for a Transmission Connected Customer, EPC will make a request to the ISO for an increase or reduction in transmission contract levels or a change to the terms of System Access Service only upon written request from the Transmission Connected Customer.

Changes to a Transmission Connected Customer's contract levels or terms of System Access Service will be effective only upon agreement between EPC and the ISO.

The Customer will pay any costs and receive any refunds from the ISO that occur as a result of any such changes.

20.7 Exit Costs

If a service for a Transmission Connected Customer is terminated, the Customer shall pay all transmission related exit costs, which include:

(a) any costs charged by the ISO to EPC, as a direct consequence of the Customer's termination of service;

(b) the present value of any ongoing System Access Service costs for the particular POD that are attributable to the Customer and that will not be recovered by EPC from the Customer as a direct consequence of the Customer's termination of service;

(c) any other un-recovered transmission related amounts as stipulated in the contract between EPC and the Customer; and

(d) any outstanding amounts attributable to the Customer with respect to, but not limited to, any deferral accounts, rate riders or Board decisions.

20.8 Release

In accordance with section 101(2) of the *EUA*, Transmission Connected Customers may, with prior approval of EPC, enter into an agreement directly with the ISO. Should EPC agree to such release, EPC reserves the right to bill the released Customer directly for all Board approved riders and charges arising from services supplied by EPC prior to the release.

PART D: DISTRIBUTED GENERATION SERVICES

21.0 DISTRIBUTED GENERATION SERVICES

21.1 Provision of Distributed Generation Interconnection Services

EPC will provide Distributed Generation Interconnection Services to Distributed Generators requesting such services and who meet the application requirements s[illegible]ut in these Terms and Conditions. EPC will make reasonable efforts to provide Distributed Generation Interconnection Services that will allow for the supply of Energy from the Distributed Generator's facilities, in a manner that does not degrade power quality, operability or reliability of the IES. Notwithstanding any other provision of these Terms and Conditions, in case the Distributed Generation Interconnection Services are interrupted by defective equipment or fail from an event or cause of Force Majeure or through the negligence of EPC's employees, servants, agents or contractors, EPC or its employees, servants, agents or contractors will not be liable for the defect, irregularity, interruption or failure.

Procedural and technical requirements that must be met prior to connecting facilities to the EPC Electric Distribution System are described in the following documents: Guide for Generator Interconnection to The Wires Owner Distribution System, Guide for Micro-Generator Interconnection to the Wires Owner Distribution System, Technical Terms and Conditions for Distribution Wires Access and Network Servicing Policies and Guidelines. These and related documents are posted on the EPC website, or can be obtained from EPC.

Both EPC and the Distributed Generator shall operate and maintain their respective facilities in accordance with the policies of the ISO, the North American Electric Reliability Council, the Western Systems Coordinating Council and the Northwest Power Pool. The standards imposed by these organizations may change from time to time and parties are expected to comply with any changed standards upon receipt of notice or otherwise becoming aware of such changes.

21.2 Application for Distributed Generation Interconnection Services

A Distributed Generator may apply for Distributed Generation Interconnection Services to provide the delivery of Energy as set out in Section 21.1 of these Terms and Conditions.

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Part D: Distributed Generation

21.2.1 Method and Form of Application

EPC reserves the right to verify the identity of the Distributed Generator and the accuracy of the information provided and to require the Distributed Generator to sign an application in writing on forms provided by EPC. No servant, agent or employee of EPC is authorized to modify orally any provisions of a written application or to bind EPC to any promise or representation contrary thereto. Modifications of written applications shall be in writing and duly executed by an authorized EPC representative

21.2.2 Provision of Information

Upon request, EPC shall furnish detailed information on the method and manner of making application for Distributed Generation Interconnection Services. Such information may include copies of EPC's Distributed Generation interconnection guides, and Distributed Generator and EPC responsibilities for installation, operation and maintenance of Facilities.

EPC may require an applicant for Distributed Generation Interconnection Services to provide:

- information regarding the location of the interconnection, service point address, the Distributed Generator's Connected Load, preferred supply conditions, and the manner in which Distributed Generation Interconnection Services will be utilized;
- credit information or references;
- proof that the Distributed Generator has
    - obtained a system access authorization from the ISO, where required;
    - obtained an executed Interconnection Agreement with EPC;
    - satisfied all membership and application requirements of the Power Pool, if selling to the Power Pool;

  - a mutual acceptance by the Distributed Generator and EPC of Operating Procedures, attached to and forming part of the Interconnection Agreement;

  - had its facility commissioned and interconnected with EPC's circuits; and

- any other information that EPC reasonably requires.

Upon receipt of the required information, EPC will advise the applicant of the type and character of the Distributed Generation Interconnection Services it will furnish to the Distributed Generator, if any, any special conditions that must be satisfied before EPC will provide any Distributed Generation Interconnection Services and, if requested, the location of EPC's metering and related equipment.

21.2.3 Rejection of Application

EPC may, in its sole discretion, reject any applicant's request for Distributed Generation Interconnection Services when:

- the type of Distributed Generation Interconnection Service applied for is not available;

- the applicant or the Distributed Generator does not have currently in force all permits, certificates, licenses, or other authorizations or right-of-way agreements that may be required for the installation and operation of Distributed Generation Interconnection Services;

- EPC determines, in its sole discretion, that the Distributed Generator is not creditworthy or a previous account held by the Distributed Generator with EPC is in arrears;

- the Distributed Generator fails to provide a security deposit or letter of credit from a suitable financial institution in form and substance acceptable to EPC;

- any representation made by the applicant or the Distributed Generator to EPC for the purpose of obtaining Distributed Generation Interconnection Service is, in EPC's opinion, fraudulent, untruthful or misleading;

- the Distributed Generator has not, when requested by EPC to do so, provided a signed written application for Distributed Generation Interconnection Services; or
- the proposed interconnection, has characteristics that might adversely affect the quality of service supplied to other Distributed Generators, Customers, the public safety, or the safety of EPC's Personnel.

21.2.4 Approvals

The applicant for Distributed Generation Interconnection Services shall be responsible for obtaining all permits, certificates, licenses, inspections, reports, and other authorizations and right-of-way agreements necessary for the installation and operation of the Distributed Generation and shall submit copies of them to EPC upon request. EPC shall not be required to commence or continue installation or provision of Distributed Generation Interconnection Services unless and until the applicant and the Generator have complied with the requirements of all governmental authorities, all permits, certificates, licenses, inspections, reports and other authorizations, and all right-of-way agreements, and all EPC requirements applicable to the installation and provision of Distributed Generation Interconnection Services.

21.3 Responsibilities

21.3.1 Rights of Way

At the request of EPC, the Distributed Generator shall grant, or cause to be granted to EPC, without cost to EPC, such easements, rights-of-way and rights of entry over, upon or under the property owned, occupied or controlled by the Distributed Generator as EPC reasonably requires for the construction, installation, maintenance, repair and operation of the Facilities required for Distributed Generation service and the performance of all other obligations required to be performed by EPC hereunder.

The Distributed Generator shall provide access for EPC to the Distributed Generator's facility for the purposes of meter reading or installation, maintenance or removal of EPC's facilities and for the purpose of treating, brushing, trimming and cutting of trees as is necessary for the proper operation of EPC's facilities.

The Distributed Generator shall not install or allow to be installed on property owned or controlled by the Distributed Generator any temporary or permanent structures that could interfere with the proper and safe operation of EPC's Facilities or result in non-compliance with applicable statutes, regulations, standards and codes.

21.3.2 Distributed Generator Liability

The Distributed Generator assumes full responsibility for the proper use of Distributed Generation Interconnection Services provided by EPC and for the condition, installation, suitability and safety of any and all wires, cables, devices or appurtenances or Facilities Energized on the Distributed Generator's premises or on premises owned, controlled or occupied by the Distributed Generator.

21.3.3 Protective Devices

The Distributed Generator shall be responsible for determining whether it requires any devices to protect its facilities from damage that may result from the use of Distributed Generation. The Distributed Generator shall be responsible for the design, supply, construction, operation and maintenance of all equipment on its side of the Point of Common Coupling necessary to provide protection to the Distributed Generator's facilities.

21.3.4 Standards for Interconnection

The Distributed Generator's installation shall conform to the requirements of EPC's Distributed Generation standards or such further requirements as EPC may establish from time to time. Copies of such requirements are available from EPC and will be posted on the EPC website.

21.3.5 Suitability of Equipment

All of the Distributed Generator's facilities shall be suitable for operation with Distributed Generation Interconnection Services and Facilities provided by EPC. The Distributed Generator shall not use Distributed Generation for any purpose, or with any apparatus, that would cause an adverse disturbance to any part of EPC's Electric Distribution System. EPC has the right, but not the obligation, to inspect the Distributed Generator's facility. This right of inspection shall not relieve the Distributed Generator of responsibility for the safe design, construction, maintenance and operation of its facility and all liability in connection therewith remains with the Distributed Generator. The Distributed Generator shall provide reasonable access upon reasonable prior notice to enable EPC to conduct such inspection.

21.4 Connections

21.4.1 Interconnection Charges

The Distributed Generator shall pay EPC an amount, as determined by the Non-Residential Investment Policy (as outlined in Section 18.8 of these Terms and Conditions), for the interconnection of EPC's facility to the Distributed Generator's facility. The cost of interconnection shall include, but not be limited to, costs incurred in the design, supply, construction, operation and maintenance of all interconnection, protective and metering equipment, including the costs of any modifications to EPC's facilities that may be required.

21.4.2 Interference with EPC's Property

No one other than an authorized employee or agent of EPC shall be permitted to remove, operate, or maintain meters, electric equipment or other EPC Facilities. The Distributed Generator shall not interfere with, extend or alter EPC's meter, seals or other Facilities or permit the same to be done by anyone other than the authorized agents or employees of EPC. EPC property shall be installed at points most convenient for EPC's access and service and in conformance with public regulations in force from time to time. The Distributed Generator shall be responsible for all destruction, loss or damage to EPC's meters, electric equipment, seals or other Facilities located on the Distributed Generator's premises or on premises owned, operated or controlled by the Distributed Generator where the destruction or damage is caused by a negligent act or omission or willful misconduct of the Distributed Generator or anyone permitted by them to be on the premises, provided however, that the Distributed Generator shall not be liable for such destruction, loss or damage where such destruction, loss or damage is occasioned by circumstances beyond the Distributed Generator's control.

21.4.3 Protection of EPC's Equipment

The Distributed Generator shall furnish and maintain, at no cost to EPC, the necessary space, housing, fencing, barriers, and foundations for the protection of Facilities necessary for the provision of Distributed Generation Interconnection Services to be installed upon the Distributed Generator's premises, or on the premises owned, occupied or controlled by the Distributed Generator, whether the Facilities are furnished by the Distributed Generator or by EPC. If the Distributed Generator refuses, EPC may at its option furnish and maintain, and charge the Distributed Generator for furnishing and maintaining, the necessary protection. Such space, housing, fencing, barriers and foundations shall be in conformity with applicable laws and regulations and subject to EPC's specifications and approval.

21.4.4 Unauthorized Use or Unsafe Conditions

If EPC determines that there has been an unauthorized use of Distributed Generation including but not limited to any tampering with a meter or other EPC Facilities, unauthorized connection or reconnection, or theft, fraud, whereby EPC is denied full compensation for services provided, EPC may make such changes in its meters, appliances, or other Facilities or take such other corrective action as may be appropriate to ensure only the authorized use of Distributed Generation, and also to ensure the safety of the general public and EPC Personnel, and the Distributed Generator is hereby deemed to consent to such corrective action. Upon finding an unauthorized use of Facilities or finding that Distributed Generation Interconnection Services have not been used in accordance with these Terms and Conditions, EPC may discontinue the Distributed Generation Interconnection Services and charge the Distributed Generator, all damages suffered by EPC and all costs incurred in correcting the condition. Nothing in this Section 21.4.4 of these Terms and Conditions shall be deemed to constitute a waiver of any other rights of redress, which may be available to EPC, or to limit in any way any legal recourse, which may be open to EPC.

21.4.5 Relocation of EPC's Facilities

The costs of relocating EPC's meter, seals or other Facilities shall be borne by the Distributed Generator when done at its request, for its convenience, or if necessary to remedy any violation of law or regulation caused by the Distributed Generator. If requested by EPC, the Distributed Generator shall pay the estimated cost of the relocation in advance

21.4.6 Distributed Generator's Facilities

The Distributed Generator shall operate and maintain its facilities in compliance with the EPC Guide for Generator Interconnection to the Wires Owner Distribution System and the Guide for Micro-generator Interconnection to the Wires Owner Distribution System, which are posted on the EPC website.

21.4.7 Prior Notice by Distributed Generator

A Distributed Generator shall give EPC reasonable written notice prior to any change in the Distributed Generator's requirements for Distributed Generation Interconnection Services, including any change in generation, to enable EPC to determine whether it can accommodate such change without alterations to its Facilities.

The Distributed Generator shall not change its requirement for Distributed Generation Interconnection Services without EPC's written permission. The Distributed Generator shall be responsible for all damages, whether direct or indirect or consequential, caused to EPC's Electric Distribution System or Facilities as a result of the Distributed Generator changing its requirements for Distributed Generation Interconnection Services without EPC's permission.

21.4.8 Changes to EPC's Facilities

If EPC must modify its Facilities to accommodate a change in a Distributed Generator's requirements for Distributed Generation Interconnection Services, the Distributed Generator shall pay for all costs attributable to such modification including, without limitation, the following costs:

- the original capital cost of EPC's Facilities being removed, less any contribution-in-aid-of-construction made to the capital cost of those Facilities, less accumulated depreciation, plus
- the estimated cost of removing EPC's Facilities, less the estimated salvage value, plus
- the estimated cost of installing EPC's new Facilities, less
- any applicable EPC investment.

21.5 De-energization of Service

21.5.1 De-energizaton at Request of Distributed Generator

The Distributed Generator may at any time and on reasonable written notice to EPC, request the De-energization or reduction in capability of its Distributed Generation. The Distributed Generator may be required to pay for any unrecovered investment made by EPC in respect of the Distributed Generator's service.

21.5.2 De-energizaton for Safety Reasons

EPC reserves the right to De-energize Distributed Generation Interconnection Services to a Distributed Generator at any time without notice, or to refuse to make such Services available to the Distributed Generator, where, any of the following conditions exist:

- the Distributed Generator has permitted its facilities to become hazardous;
- if to EPC's knowledge or in its judgment, the Distributed Generator's facilities are unsafe or defective or will become unsafe or defective imminently;
- the Distributed Generator's facilities fail to comply with applicable statutes, regulations, standards, codes and EPC's generator interconnection requirements; or
- the use of Distributed Generation may cause damage to EPC's Facilities or Electric Distribution System or interfere with or otherwise disturb any other service provided by EPC.

EPC will Re-energize Distributed Generation interconnection when the condition has been rectified to EPC's satisfaction, when the Distributed Generator has provided, or paid EPC's costs of providing, such Facilities as may be necessary to rectify the condition and prevent the condition from reoccurring, and the Distributed Generator's facilities are approved by the appropriate authority.

21.5.3 De-energizaton Other Than for Safety

EPC may at any time, after having given at least 48 hours' prior oral or written notice to a Distributed Generator and without any further notice, De-energize Distributed Generation Interconnection Services to the Distributed Generator, if it:

- violates any provision of these Terms and Conditions or the Distribution Tariff;
- tampers with any service conductors, seals or any other EPC Facilities or any meters, whether or not provided by EPC;
- neglects or refuses to pay when due, all amounts required to be paid under these Terms and Conditions, Fee Schedule or Rate Schedule;
- changes its requirements for Distributed Generation Interconnection Services without the written permission of EPC; or
- provides EPC with incorrect information or makes fraudulent or unauthorized use of Distributed Generation Interconnection Services.

21.5.4 Re-Energization of Service

If Distributed Generation Interconnection Services to a Distributed Generator are De-energized (other than for safety reasons and whether at the request of the Distributed Generator or not) it shall pay the following amounts prior to EPC Re-energizing Distributed Generation Interconnection Services:

- any amount owing to EPC; and
- a Re-energization charge in accordance with the Fee Schedule.

21.5.5 Removal of Facilities

Upon termination of Distributed Generation Interconnection Services, EPC will be entitled to enter upon and remove from the property owned, occupied or controlled by the Distributed Generator or any of EPC's Facilities located upon the property.

21.5.6 Fee Schedule

EPC reserves the right to impose reasonable fees and charges pursuant to the various provisions of these Terms and Conditions. The fees and charges shall be set out in the Fee Schedule.

22.0 METER SERVICES

22.1 Installation of Meters

22.1.1 Provision and Ownership

EPC shall provide, install and seal one or more meters for the purpose of measuring the Energy received from a Distributed Generator. Each meter shall remain the sole property of EPC regardless of the degree to which the meter may be affixed to the Distributed Generator's premises, or to premises owned, occupied or controlled by the Distributed Generator, or equipment.

22.1.2 Distributed Generator Meters

The Distributed Generator retains ownership of any Distributed Generator owned meter on its side of the point of service connection that it has installed. The selection of meters, calibration of meters and handling of meter disputes shall be in accordance with the *Electricity and Gas Inspection Act* (Canada) and regulations thereunder, or such other amended or replacement legislation as may from time to time be enacted. EPC may arrange with the Distributed Generator to have its metering equipment tested or calibrated by the proper official designated by the *Electricity and Gas Inspection Act* (Canada).

22.2 Location

Meter locations shall be designated by EPC based on the particulars of the Distributed Generation requested and convenience of access to the meter. Where a meter is installed on a Distributed Generator owned pole, the pole shall be provided and maintained by the Distributed Generator as required by the Canadian Electric Code and any other applicable statutes, regulations, standards and codes.

22.3 Access to Metering Equipment

EPC may, at any reasonable time, read, inspect, remove and test its meter installed on property owned or controlled by the Distributed Generator. EPC's employees, agents and other representatives shall have the right to enter property owned, occupied or controlled by a Distributed Generator at all reasonable times and intervals for the purpose of installing, maintaining, replacing, testing, monitoring, reading or removing EPC's electrical equipment and appliances or other Facilities or of discontinuing service or for any other purpose incidental to the provision of Distributed Generation Interconnection Services, and the Distributed Generator shall not prevent or hinder EPC's entry.

22.4 Changes to Metering

EPC may at any time change any meter it installed.

Distributed Generator requests for a new meter will be processed as per the Technical Terms and Conditions for Distribution Wires Access, which can be accessed through EPC's website.

23.0 MISCELLANEOUS

23.1 Insurance

The Distributed Generator shall purchase a liability insurance program for the operation of the generator that a prudent operator of a similar generator would maintain. The cost of obtaining and maintaining such liability insurance shall be borne by the Distributed Generator.

In respect of the insurance policies carried by the Distributed Generator under this Section 23.1 of these Terms and Conditions, each insurance policy shall include waivers of subrogation in favour of EPC and any commercial general liability policy shall include a cross liability and blanket contractual clause and shall include EPC as an additional insured. The Distributed Generator will provide a certificate of insurance in this regard to EPC.

ENMAX POWER CORPORATION
DISTRIBUTION TARIFF
FEE SCHEDULE

The fees and charges contained in this schedule are non-refundable and are charged in all circumstances. They apply to the services described in the EPC DT Terms and Conditions.

1.	**New Connection**	**$45.00 per request**

This fee applies when a Retailer requests a new service connection.

2.	**Temporary De-energize**	**$35.00 per request**

This fee applies to a Retailer or Customer who requests a temporary de-energization of service.

3.	**Re-energize after Temporary De-energize**	**$35.00 per request**

This fee applies to a Retailer or Customer who requests a re-energization of service.

4.	**Permanent De-energize**	**No charge**

This service applies to sites where the site is de-energized and the equipment permanently removed.

5.	**Financial De-energize**	**$35.00 per request**

This fee applies to a de-energize request from the Default Supply Retailer due to non-payment of a Customer account. The fee is charged to the last Retailer to enrol the site.

6.	**Re-energize after Financial De-energize**	**$35.00 per request**

This fee applies to a re-energize request from a Retailer for a site that was de-energized for financial reasons. The fee is charged to the Retailer who enrolled the site.

7.	**Installation or Removal of Load Limiter - Financial**	**$35.00 per install or removal**

This fee applies to a request from the Default Supply Retailer to install or remove a load limiter at a site where the Customer's account is in arrears. The fee is charged to the Default Supply Retailer.

8. Installation or Removal of Load Limiter – Emergency Services **$35.00 per install or removal**

This fee applies to a request from Emergency Services to install or remove a load limiter at a site for the purpose of having electricity during an investigation. The fee is charged to the Retailer who has enrolled the site.

9. Delivery of Cut-Off Warning Notice **$35.00 per notice**

This fee applies to a request from a Retailer to deliver a cut-off warning notice at a site where either the site will be cut-off for financial reasons OR the customer needs to be warned of impending cut-off due to vacancy or other non-financial reasons. The fee is charged to the Retailer who has enrolled the site.

10. Extra Service Trip **$45.00 per trip**

This fee applies when an extra service trip is required because the Customer's site was not ready to be energized when initially requested. The fee is charged to the Retailer who has enrolled the site.

11. Meter Field In Situ Test **$138.00 for Self Contained Meter**
$178.00 for Instrument-type Meter

This fee applies when the Meter Shop tests a meter at the request of a Retailer or Customer. The fee is charged only if the accuracy of the meter is found to be within the limits allowed by the Government of Canada.

12. Off-Cycle Meter Reading **$15.00 per request**

This fee is applied when a Retailer requests that an off-cycle meter reading be performed.

13. Interval Data Request –15 minute, DIM Format **$30.00 per site – per request**

This fee applies when a Retailer or another party authorized by the Customer requests interval meter data for the previous 12 months or less from date of request.

14. Interval Data Request -Other than 15 minute, DIM format **$40.00 per site - per request**

This fee applies when a Retailer or another party authorized by the Customer requests interval meter data for the previous 12 months or less from date of request.

15. Interval Data Report or a Graph — $25.00 per site - per request

This fee applies when a Retailer or another party authorized by the Customer requests a Report or Graph (available from MV-90) for the previous 12 months or less from date of request.

16. Interval Data-All Other Requests — $90.00 per hour

This hourly fee applies when a Retailer or another party authorized by the Customer requests services that are not listed in the Fee Schedule.

17. Cumulative Data Request, DCM Format — $30.00 per site – per request

This fee applies when an a Retailer or another party authorized by the Customer requests cumulative meter data for the previous 12 months or less from date of request.

18. Cumulative Data-All Other Requests — $75.00 per hour

This hourly fee applies when a Retailer or another party authorized by the Customer requests services that are not listed in the Fee Schedule.

19. Data Request Requiring Data File in Excel or PRN. Format — $40.00 per site – per request

This fee applies when a Retailer or another party authorized by the Customer requests meter data in Excel or PRN. File format for the previous 12 months or less from date of request.

20. Settlement History-Load Settlement — $100.00 per hour

This fee applies when a Retailer requests Load Settlement data from the Load Settlement Agent.

21. Custom Load Profile — $100.00 per hour plus materials

This fee applies when a Retailer requests a custom load profile from the Load Settlement Agent.

22. Verification of Distribution Tariff Data — $100.00 per hour

This fee is applied when a Retailer requests an investigation of DT billing data. In the event that EPC data is incorrect, the fee is waived.

23. Request Distribution Tariff History **$100.00 per hour**

This fee applies when a Retailer requests a history of a DT billing.

24. Verification of Transaction Bill Data **$100.00 per hour**

This fee applies when a Retailer requests an investigation of suspect billing data for a specific service order. In the event that EPC data is incorrect, the fee is waived.

25. Customer Requests – Off Hours **$146.00 per hour**

This fee applies when a Customer requests that work be done after their business hours to minimize disruption of their business, which requires an EPC crew working on overtime hours.

26. Dishonoured Cheques **$25.00 per Cheque**

This fee applies to all dishonoured cheques returned to EPC for any reason.

27. Security Deposit **Special – per customer merit**

A security deposit may be requested from a Customer. Alternatively, EPC may rely on the Customer's credit history.

28. Meter Verification/Certification **$96.00 per hour plus materials**

This fee applies when a Retailer or Customer requests verification or certification of a meter. In the event that the meter is faulty, the fee is waived.

29. Meter Upgrade

$94.00 per hour for one person/one truck (single phase)
$150.00 per hour for two people/one truck (multi phase)

This fee applies for the time associated with meter upgrades. The Customer is also responsible for the cost of materials including the meter.

30. Penalty for Late Payment **3.25% of the Outstanding Invoice**

This fee applies to Retailers, Customers, Distributed Generators or Transmission Connected Customers whose remittance is past the due date. A one-time penalty charge of 3.25% will be applied to the outstanding invoice thirty (30) days after written notice has been given.